MAIL DELIVERY PROBLEMS TO THE CARIBBEAN

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON
POSTAL OPERATIONS AND SERVICES

AND THE

SUBCOMMITTEE ON
POSTAL PERSONNEL AND MODERNIZATION

OF THE

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MAIL DELIVERY PROBLEMS TO THE CARIBBEAN

THURSDAY, JUNE 2, 1988

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON POSTAL OPERATIONS AND SERVICES, SUBCOMMITTEE ON POSTAL PERSONNEL AND MODERNIZATION, COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
HOUSE OF REPRESENTATIVES,

Washington, DC.

The subcommittees met, pursuant to call, at 10:15 a.m., in room 311, Cannon House Office Building, Hon. Mickey Leland (chairman of the Subcommittee on Postal Operations and Services) presiding.

Mr. LELAND. Welcome to this joint hearing of the Subcommittees on Postal Operations and Services and Postal Personnel and Modernization.

We are meeting this morning to review some very serious problems with mail service to the Caribbean. These matters were brought to our attention by our colleague, Ron de Lugo, of the Virgin Islands.

Since I became Chairman of the Subcommittee on Postal Personnel and Modernization in 1980, Congressman de Lugo has been diligently keeping me informed about the service problems in the Caribbean. We have continually attempted to have these problems resolved but have met with mixed results.

In 1984 a task force was appointed by the U.S. Postal Service to monitor service to the Virgin Islands. During the year that the task force operated, great improvements were made and service was generally satisfactory during that time.

However, the old problems have cropped up again and the situation seems to be right back where it was in 1980. An extreme example of the problems that exist was the recent discovery of a trailer full of parcels bound for the Virgin Islands that had been sitting in a parking lot in Puerto Rico for two and a half years.

Congressman de Lugo has made a commitment to do everything in his power to improve postal service to the Virgin Islands to a satisfactory level and this committee stands ready to assist him in any way possible.

Today we hope to learn in more detail about the situation in the Caribbean so that we may determine what course of action to take in this effort.

After reading Mr. Kane's prepared statement, I realize why it is necessary for us to be here today discussing these problems. Before we begin with the testimony, I want to make a very important comment and I want to enter it into the record at this point.

Mr. Kane says in his statement that the Postal Service values the business in the Virgin Islands and refers to the United States residents who live there as "customers." I think that the real problem here is that the Postal Service views its role in the Virgin Islands as "doing business" instead of providing service.

The fact of the matter is that Virgin Islanders are not customers, they are Americans who deserve and expect satisfactory service. The Postal Service's responsibility in the Virgin Islands is not to do business, but to provide postal service.

Apparently there just isn't enough of what the Postal Service refers to as "business" in the Virgin Islands for them to pay proper attention to the service needs there. This is something that this committee will be looking at very closely in our efforts to remedy this situation.

I would now like to recognize the Chairman of the Subcommittee on Postal Personnel and Modernization, the Honorable Frank McCloskey from Indiana.

Mr. McCLOSKEY. Thank you, Mr. Chairman.

This morning, the Subcommittee on Postal Operations and Services and the Subcommittee on Postal Personnel and Modernization are conducting a joint hearing on mail service to the Caribbean, particularly the Virgin Islands. I want to thank my distinguished colleague Representative Ron de Lugo for his commitment toward resolving these problems on behalf of his constitutents and the postal workers in the Virgin Islands. I would also like to thank our witnesses from the U.S. Postal Service for appearing today.

There has been strong congressional interest in the postal situation in the Virgin Islands since the early 1980's. In 1981, the northeast region of the Postal Service established a task force to examine postal service and operations in the Virgin Islands. Unfortunately, it appears this task force and subsequent followup measures have not been sufficient to remedy the situation.

There continue to be complaints from citizens in the Virgin Islands about mail service and from postal employees about general operations and managerial practices. In addition 2 months ago, on March 22, a fully loaded 45-foot trailer of parcel mail was discovered during a routine inventory. The mail had been sent in November 1985. Although the Postal Inspection Service has determined that the subcontractor responsible for transporting the mail from the mainland was responsible for this incident, I am concerned that there was apparently very little concern with the Postal Service despite the large quantity of claims filed for lost mail. Again, I want to thank our witnesses for appearing today.

I apologize for having to leave in a few minutes, but there is a very important matter pending in the Armed Services Committee. I will try to get back.

I would like to commend Mr. de Lugo for all his work in this area. I have been hearing, for probably a year or more, as to all the problems of mail service in the Virgin Islands and, as recently as half an hour ago from Mr. de Lugo, as to ongoing and massive problems.

I will open by saying that there are major problems ongoing now that have to be corrected. I would again commend Mr. de Lugo for

all of his work in this area, and I assume he will get the full cooperation of the Postal Service.

Reading the testimony of Mr. Kane last night, which was fairly elaborate, I was concerned or curious as to one statement: "In the five years since we have been making direct trailer dispatches from both the Jacksonville and New Jersey BMCs, approximately 12,000 vans have been dispatched with only one such incident." I guess that is the 20-month loss of the van and thousands of packages. "I believe that speaks to the fact that we have an exception rather than a recurring problem."

I would hope this is not going on all the time. This should not happen again. There is no standard to allow something like that to happen.

I had mail, in effect, stolen from my house by a postal worker a year and a half before he committed suicide. It was a very unusual situation.

Mr. LELAND. Is that a factor affecting the type of mail that you get?

Mr. MCCLOSKEY. In all seriousness, he had problems.

It is very unfortunate. It is not a statistical matter; this is so gross it should never happen. I would like to make that point for Mr. de Lugo's constituents in the Virgin Islands.

Thank you, Mr. Chairman.

Mr. LELAND. I thank Mr. McCloskey.

This Chair and the gentleman from Indiana have discussed his involvement in a very important meeting of the Armed Services Committee.

We will now recognize the gentleman from New York, Mr. Horton, the Ranking Minority Member, and those of us who believe he is fair and just also believe he is the vice chair.

Mr. HORTON. It is my pleasure to join our Chairman in this important meeting. It is also a pleasure to join our colleague, Ron de Lugo, on this important matter. I want to commend him on his taking care of his constituents. It is very important.

The Virgin Islands is a significant part of the United States. It is not only a strategic asset, but a cultural asset also.

One part of our responsibility to the Virgin Islands is to provide postal service comparable to that in the rest of the country. Currently that is not the case. They are experiencing delays. I hope this will be a first step to a rapid improvement in conditions there.

I join with the Chairman in welcoming the witnesses.

Mr. LELAND. Thank you. I do welcome the witnesses.

We will proceed as follows. The witnesses are Mr. Allen R. Kane, who is the Assistant Postmaster General/Mail Processing; Mr. James E. Orlando, Director of the Office of Transportation and International Services; and Mr. Cristobal Lliteras, General Manager/Postmaster, San Juan Division.

Gentlemen, I would like to do something that I think will be most valuable to all of us. This hearing was called at the urging of our colleague from the Virgin Islands, who has been very sensitive about the very serious problems that we are confronting. That is our colleague, the Honorable Ron de Lugo of the Virgin Islands.

Mr. de Lugo.

Mr. DE LUGO. Thank you very much, Mr. Chairman.

At the outset I want to thank my good friend and colleague, Congressman Mickey Leland, the Chairman of the Subcommittee on Postal Operations and Services, and Congressman Frank McCloskey, Chairman of the Subcommittee on Postal Personnel and Modernization, who are convening this joint hearing.

I want to thank my good friend from New York, Frank Horton. Frank is a member on the minority side of this committee. I want to thank you very much for attending this morning. I think that this shows the bipartisan concern about this matter. I thank you all.

When I was re-elected to Congress back in 1980, I requested and I received a waiver to retain a position on a third committee, the Post Office and Civil Service Committee, in addition to my assignments on the Interior and the Public Works Committees. At that time I explained to Chairman William Ford that the United States postal service to the Virgin Islands was extremely important and I needed the leverage of his committee and assistance to encourage the Postal Service to improve service. The Chairman agreed and committed his support in early 1981.

At that time I held a meeting in my office with then Postmaster General William Bolger. It was to be the first of a number of discussions on how to get the mail moving faster and service more consistent with stateside United States standards in this U.S. territory.

I do not usually go public with hearings, but I pledged to work cooperatively within the system to bring about improvements as quickly and effectively as possible. Some improvements were made that first year. Mail speeded up dramatically, equipment and personnel were added, service appeared on the upswing.

Then in 1982 the upswing reversed. There was a disappointing decline and we were back where we started. More meetings were called, more task forces were ordered up. Again, a period of improvements and, again, the disappointing decline in service.

This erratic pattern of improvements and decline was to be repeated over and over again. No problem in my 25 years of legislative service and in my seven terms in Congress, have been more frustrating or more time-consuming to me than the poor postal service that has been rendered to my District.

The final straw was a discovery in March of this year that a 45-foot container trailer loaded with packages and pieces of mail in November 1985 at Jacksonville, Florida, never made it to its destination in the Virgin Islands. Despite the fact that a postal employee in St. Thomas signed for the receipt of this trailer, and despite the fact that hundreds and hundreds of claims were put in for this mail, evidently no one realized that the trailer was lost. At that point I lost all patience.

Today we will publicly air the problems of the service to the Virgin Islands and these joint subcommittees will see the whole history of half-kept and even unkept promises by the U.S. Postal Service.

I am convinced, given the fact that we did experience periods of improvements, that service can be enhanced on a continuing basis.

Last month when I announced that these hearings would be held, I asked people of the Virgin Islands to send me recent exam-

ples of problems that they have been experiencing with the Postal Service. I did not make a big effort on this; I simply announced that I would like to hear from them if they had problems.

In that short period of time—I have it all here and we can go over it; this is all legitimate, none of it is window-dressing—I heard from 150 of my constituents. They sent me, in some cases, notarized copies of case histories, specific problems, envelopes, report forms, complaint requests, insurance receipt claims, package arrival and return notices. Some kept detailed logs and others have documented proof of ongoing and unanswered complaints. I have given each member of the subcommittees a summary of these complaints.

I am looking forward to hearing from the Postal Service on these concerns.

Mr. HORTON. Will you yield?

Mr. DE LUGO. Yes.

Mr. HORTON. That is a large number for the rather mild statement on your part. I would think it would be helpful if the Postal Service were given those complaints and then asked to reply to those people and let us know, reply to us so we will have some information on these specific problems.

I think those people ought to have an answer on what is happening.

Mr. DE LUGO. I thank the gentleman for his comments.

I must say I was impressed by the quality of the returns. These people were serious. They took their time to do this. I am talking about a fairly small population, slightly over 100,000 people. So that is quite a response.

If the Chair would support such action, I would be glad to turn these over to the Postal Service people.

Mr. LELAND. The Chair advises that the record will remain open for the purpose of receiving this information.

Mr. DE LUGO. I thank the Chair.

Mr. LELAND. We will now proceed with our panelists. Please proceed, Mr. Kane.

STATEMENT OF ALLEN R. KANE, ASSISTANT POSTMASTER GENERAL/MAIL PROCESSING; JAMES E. ORLANDO, DIRECTOR, OFFICE OF TRANSPORTATION AND INTERNATIONAL SERVICES; AND CRISTOBAL LLITERAS, GENERAL MANAGER/POSTMASTER, SAN JUAN

Mr. KANE. Thank you.

Mr. Chairman, I am Allen Kane, Assistant Postmaster General for Mail Processing.

With me today are Jim Orlando, Director of Transportation and International Services, and Chris Lliteras, Field Division General Manager of our Caribbean Division. Mr. Orlando is responsible for managing the Postal Service's national and international transportation networks, and Mr. Lliteras is responsible for all local postal operations in the Caribbean Division, which includes both Puerto Rico and the Virgin Islands.

We are here today at your request to discuss mail service in the Virgin Islands and to address a number of concerns you have expressed on behalf of your colleague, Congressman Ron de Lugo.

First, let me begin my prepared remarks by assuring you and Congressman de Lugo of the Postal Service's desire to provide its customers in the Virgin Islands with the best possible level of postal services. I say this not only because we have an obligation to do this under our charter as a universal postal system, but because we also value the business in the Virgin Islands and want to do everything possible to foster and encourage its growth by meeting the needs of our customers. Therefore we have a common interest in resolving any problems that might exist.

For these reasons we have over the years endeavored to work with Congressman de Lugo, members of his staff and the communities in the Virgin Islands to improve the level of mail services. Although there have been problems from time to time, we believe solid progress has been made.

For example, we established an aggressive Facilities Improvement Program to improve customer satisfaction. In St. Thomas we have spent $1,785,000 since 1983 for improvements in our facilities at Sugar Estates, Emancipation Gardens and Veterans Drive, and we have proposed to construct a new station for Estate Tutu after our current budget constraints are overcome. Since 1982 in St. Croix we have spent $3,394,000 for improvements at Kingshill, Christiansted, Frederiksted and Cruz Bay. In addition to improving our facilities, we have deployed additional vehicles to assist in improving collection and delivery operations.

In the transportation of mail for the Virgin Islands, we have also worked hard to improve service to our customers. We have established the makeup of direct ocean trailers at the Jacksonville and New Jersey Bulk Mail Centers, BMCs, for the Virgin Islands.

When inadequate commercial airlift existed between San Juan and St. Thomas for a period, we established a dedicated air taxi which, as a result of Congressman de Lugo's efforts, was able to land at the St. Thomas airport around 4:00 a.m. More recently we established direct air service on Eastern Metro between St. Thomas and St. Croix for mail that is deposited during the day before 5:00 p.m. And again working with the communities of the Virgin Islands, we were able to tie them into our dedicated Express Mail overnight network to ensure an improved level of service for their high priority shipments.

In the management of postal operations, we have added visibility and emphasis through designation of a coordinator for the Virgin Islands. This individual is domiciled in St. Thomas and is responsible for the coordination of all activities to ensure that an integrated network is maintained both on and between the islands. Further, he coordinates with the Caribbean Division to ensure problems affecting the Virgin Islands receive proper attention.

This is not to say that our customers in the Virgin Islands do not have any means or channels to appeal postal actions or decisions beyond the coordinator or the Caribbean Division. They do. Postal operations in the Caribbean, including those in the Virgin Islands, fall under the responsibility of the Northeast Region's Director for Operations Support, Mr. William Dowling. Transportation operations are managed by the Transportation Management Service Center, TMSC, in San Juan. That TMSC, as well as 22 others

spread across the mainland, report directly to Mr. Orlando in Headquarters, and not to the Caribbean Division.

Now let me spend a few moments commenting on some of the issues over which interest has been expressed.

Understandably, one of the concerns expressed by Congressman de Lugo relates to the lost trailer destined for St. Thomas. Let me put this most unfortunate incident in perspective.

In the five years since we have been making direct trailer dispatches from both the Jacksonville and New Jersey BMCs, approximately 12,000 vans have been dispatched with only one such incident. I believe that speaks to the fact that we have an exception rather than a recurring problem.

Nevertheless, the Inspection Service has completed a review of the dispatch and tracking process and recommended several changes that we have implemented.

In this particular instance the trailer was dispatched from the Jacksonville BMC on November 5, 1985, via the Puerto Rico Maritime Shipping Authority to the Port of San Juan. At San Juan Port, the trailer was to be interchanged to the next available sailing to final destination, in this case, St. Thomas.

The ship arrived on November 8 at San Juan and the trailer was interchanged to the Trailer Marine Transport Corporation [TMT) for a scheduled sailing that same evening (11–8) to St. Thomas. Unfortunately, during the course of the paper interchange, an incorrect trailer number was entered into TMT's computerized booking and tracing system. Trailer number EAZ 279450 became REAZ 279490. The trailer was not boarded on the connecting vessel and never turned up missing in TMT's tracking system due to the erroneous number.

To compound the problem, our employee at St. Thomas signed an internal tracking document indicating receipt of the trailer that in fact had never arrived. That tracking document which was formerly sent from origin after confirmation of boarding and sailing will, under the new procedures, travel with the trailer to prevent erroneous confirmation of receipt. The new procedure will also include electronic transmission from origin of all pertinent information at time of sailing to use as a cross-check.

In summary, this incident is most regrettable. We believe it has been appropriately addressed to prevent recurrence.

Another issue pertains to our air and surface transportation networks which serve the Virgin Islands. I think it would be helpful if I briefly describe how the system works for mail moving between the Virgin Islands and the mainland, and mail within the Virgin Islands between St. Thomas and St. Croix. Let us take mail moving from the mainland to the Virgin Islands first.

Until about five years ago, all first-class and priority mail was flown from the mainland to San Juan, where it was sorted and then re-dispatched via air to St. Thomas and St. Croix. Because of complaints from the Virgin Islands of delays being encountered in San Juan, the system was changed and instructions were issued to our mainland post offices for our southern, western and central regions to forward their Virgin Island mail to Miami, where it is sorted and re-dispatched to St. Thomas and St. Croix. Our north-

east and eastern regions forward their mail to the John F. Kennedy Airport for ground transportation to the Virgin Islands.

Second, third, and fourth-class mail moving from the mainland to the Virgin Islands is concentrated and sorted either at the Jacksonville or New Jersey BMC to direct destination ocean trailers for St. Thomas and St. Croix.

Prior to five years ago, this mail was mixed with mail destined to Puerto Rico, where it had to be sorted in San Juan and re-distributed to the Virgin Islands. Under a previous service improvement effort, we changed that and began making up direct trailers for the Virgin Islands, which has reduced transit times from an average of 30 days to 14 days.

Mail moving by air between St. Thomas and St. Croix after 5:00 p.m. is dispatched on late evening flights to San Juan, where it is canceled, sorted, and re-dispatched on flights early the next morning to the destination island for delivery that same day.

That is the way our present system works. Now let us discuss your interests. One issue is the long transit times from the mainland to the Virgin Islands for trailers moving by water. Last year only one ocean contract was awarded, whereas in prior years we had three ocean contractors providing service. As a result, the Virgin Islands began receiving more trailers at a time on a less frequent arrival schedule, so that consequently too much volume had to be unloaded at once and delays occurred. This problem has now been resolved by restoring service under three contracts.

Further, a new direct service became available from Port Everglades, Florida, on TMT, which will by-pass San Juan. This new service, combined with the use of our other contractors, will provide an acceptable level of service for surface mail.

Regarding air transportation, a concern was raised about mail for the Virgin Islands being bumped off flights at Miami. This sometimes happens on those flights which directly serve the Virgin Islands due to heavy passenger and baggage loads, weight restrictions, and weather. When it does, mail should be re-dispatched to another carrier serving San Juan, where mail can be transferred to a number of flights serving the Virgin Islands.

When mail is routed to San Juan for transfer to the Virgin Islands, it is not taken downtown for distribution, as it has already been processed in Miami. We will ensure that when mail is bumped from these direct flights at either Miami or New York, it is dispatched on the next available carrier serving the Virgin Islands, whether it be direct or via San Juan.

A related concern is the question for why we do not fly all mail directly from St. Thomas to St. Croix and vice versa. Would not service improve if we eliminated transit through San Juan? The answer is that use of direct flights between the Virgin Islands would offer no service advantage over the routine San Juan but would have the disadvantage of added cost.

Let me explain. After we collect the mail at 5:00 p.m. on one island, we would have to separate mail bound for the other island. This would require the added cost for a manual distribution operation. Assuming we made this extra separation there, we would then have to dispatch the mail to the other island on a flight around 8:00 p.m. Since the post office on the receiving island is

closed in the evenings, the mail would not be processed until early the next morning.

Under our current operation of area mail processing, all 5:00 p.m. collection mail, except that mail which is to remain on the originating island, is sent to San Juan where it is economically canceled and sorted on mechanized equipment and re-dispatched on flights around 3:00 a.m. It arrives early at the destination island and is processed for delivery on the same day.

Therefore, direct service between the Virgin Islands for collection mail offers no service advantage, but does increase cost and subject the mail to depredation since the post offices are closed and the mail would have to be held at the destination airport overnight. Naturally, mail collected earlier during the day will continue to be dispatched directly to the other island on Eastern Metro.

Another question relates to the effect on the overall levels of service being provided to the residents of the Virgin Islands because the mail transits, and, in some cases, is processed in San Juan. In checking our service measurement system, the Origin Destination Information System (ODIS), we find the overnight service performance for next-day service stamped mail staying on island or moving between the Virgin Islands via San Juan to be 91 percent for the last eight accounting periods.

For seven of the eight accounting periods involved, the average is 94 percent, as compared to the northeast region average of 93 percent and the national average of 94 percent. Consequently, it does not appear that we have a systemic problem, but rather one that requires some fine tuning to ensure our target 95 percent on-time delivery standard is met.

When we look at 3-day service scores covering stamped mail moving between the mainland and the Virgin Islands, we find a quite different situation. Service performance for the Virgin Islands averages 65 percent and San Juan City averages 25 percent. When compared to the northeast regional average of 84 percent and the national average of 86 percent, it becomes very apparent that we do have systemic problems adversely affecting service performance for both the Virgin Islands and Puerto Rico. This could involve the distribution concept used to sort mail on the mainland, or perhaps transportation routing and air carrier overload problems. We do know from our data system that the 95 percent delivery standard is generally achieved within five days of postmark.

Consequently, we are going to experiment with several distribution options to see if any one option will materially improve our service achievement by reducing overall transit time. Given the geography involved and the lack of space for mail on some flights during peak passenger periods, I quite frankly do not think we will reach 95 percent. However, I would like to drive the numbers closer to the regional and national averages so our customers can enjoy a more consistent level of service.

Staffing of our post offices in the Virgin Islands has increased from 107 employees in fiscal year 1985 to 113 in fiscal year 1986, and then to 121 employees in fiscal year 1987 to meet the growth in mail volume. We think there is better than an adequate work force to get the job done properly. Nevertheless, I am asking our northeast region to conduct a comprehensive staffing analysis to

determine what the complement should be for the specific workload involved.

In conclusion, Mr. Chairmen, we believe the Postal Service is meeting the challenges associated with a growth in mail volume. In order to improve service and continue to gain customer satisfaction the Postal Service has: increased transportation, put on additional delivery routes, increased its vehicle fleet, mechanized the retail window operations, and better trained its employees.

We do, however, recognize that more effort must be made to improve our labor-management climate in the Virgin Islands. To this end we are now in the process of contracting for the services of two professionals to assist us in conducting a series of labor-management meetings which will be held at the St. Thomas and Kingshill Post Offices. The main purpose of these meetings will be to facilitate and promote teamwork and a more cooperative relationship among our local management, employees, and their union officials.

Further, as I said before, we will re-examine the networks which provide the services to both the Virgin Islands and Puerto Rico to determine what changes can be made to improve service. I have asked Mr. Orlando and Mr. Thuro, northeast regional manager for operations networks, to visit the Virgin Islands in the near future to begin this effort.

This concludes my prepared remarks. We would be pleased to answer questions.

Mr. LELAND. Thank you, Mr. Kane.

Our colleague from New York is going to have to leave. He has some other responsibilities. I certainly want him to have the opportunity to ask some questions, so we will allow him to go first.

Mr. HORTON. I do apologize to you. I have a group of students on the Capitol steps for pictures. I have to run over for that. Mr. Kane, I am disappointed in your statement. I am disappointed in the fact—that you make it appear as though you only lost one trailer out of 12,000.

How does that percentage stand up to the rest of the United States? Do we lose one trailer every 12,000?

Mr. KANE. Well, I don't have—I guess I don't have a number to give you a national loss versus how many trailers we have. We do not lose trailers frequently quite honestly.

Mr. HORTON. How many do we lose in a year? You are the head of mail processing? Is that what your job is?

Mr. KANE. That is correct.

Mr. HORTON. For the country or Puerto Rico?

Mr. KANE. That is national.

Mr. HORTON. You don't know how many trailers you lose in a year.

Mr. KANE. Let me answer your question this way. We don't normally lose trailers. Very infrequently does something happen like——

Mr. HORTON. I asked the question, how many do you lose a year?

Mr. KANE. I would say very few. I don't have an exact number for you.

Mr. HORTON. Fifty, 100, 500, one. I mean one out of 12,000 might not be a bad statistic to you, but it is terrible to me. There is a lot

of mail in that trailer, isn't there? How much mail was in that trailer?

Mr. KANE. As Congressman de Lugo said, there were several thousand pieces of mail.

Mr. HORTON. I am not asking him. I am asking you. How much mail was in that trailer?

Mr. KANE. Seven thousand.

Mr. HORTON. Seven thousand pieces of mail?

Mr. KANE. Mr. Lliteras mentioned to me it is 7,000.

Mr. HORTON. That is all.

Mr. LLITERAS. Actually what was lost, most of the amount—

Mr. HORTON. You are too loud.

Mr. LLITERAS. The biggest amount was in magazines, third class and second class. On the parcels, COD's, was an average of about 800.

Mr. HORTON. How long was it lost?

Mr. LLITERAS. Two and a half years. This was not lost through any wrong doing of the postal service. This was done by the transportation office with just the Maritime Service, that held it in its yard for two and a half years, due to a mistaken number.

Mr. DE LUGO. Will the gentleman yield?

Mr. HORTON. I would be glad to.

Mr. DE LUGO. How can you say that this was done through no wrongdoing of the Postal Service? Didn't the Postal Service employee sign for this trailer?

Mr. LLITERAS. It was——

Mr. DE LUGO. Weren't 400 claims put through for lost mail. What was the reaction of the Postal Department when you received those 400 claims?

Mr. LLITERAS. The reaction from the people from the TMT came to see me——

Mr. DE LUGO. Four hundred claims were put through to the Postal Department, the loss.

Mr. LLITERAS. I haven't received any information regarding the claims. What we did was we gave them parcels free to the customers.

Mr. KANE. Let me add one thing. You wouldn't really know—it was 400 claims. You wouldn't see it in one spot such as the Virgin Islands or San Juan. The claims would be filed by those customers from all the origin points that were sending mail to the destinating point.

In other words, the 400 claims would be spread out across——

Mr. HORTON. I don't have time now to go into the details, but I want you to give us in the record what type of information you got on that trailer at that time. The Postal Service must have—I am talking about Mr. Kane now, and you are——

Mr. LLITERAS. I am the division manager of the Caribbean.

Mr. HORTON. Where are you located?

Mr. LLITERAS. San Juan.

Mr. HORTON. You have jurisdiction over the Virgin Islands.

Mr. LLITERAS. Yes, sir.

Mr. HORTON. Does all the mail have to go to Puerto Rico?

Mr. LLITERAS. No, sir.

Mr. HORTON. Some of it does.

Mr. LLITERAS. Some of it does.

Mr. HORTON. Is that a good system, Mr. Kane?

Mr. KANE. Yes. I think the issue should be handled this way. By making——

Mr. HORTON. Say it is a good system or it isn't.

Mr. KANE. Let me try to answer it this way. The system is good in the sense that it cuts down transit time from four weeks down to about 14 days on the average. So that is, yes, it is a good system.

Mr. HORTON. It takes 14 days to get a letter to the Virgin Islands.

Mr. KANE. This is—this is not first class. This is parcels, second class, third class.

Mr. HORTON. Time Magazine, those people in the Virgin Islands wait 14 days, two weeks.

Mr. KANE. You are dealing with the two issues here. If you are sending it first class, the answer is, no. If you mail it second class, that goes through the bulk mail center network, the answer is yes.

Mr. HORTON. Do you think you have a problem with the mail in the Virgin Islands?

Mr. KANE. My personal opinion is I think we have a problem with three-day mail from Continental United States, yes. I think the answer to that, I know the answer to that is, yes.

Mr. HORTON. Do you think you have a special problem as far as the Virgin Islands is concerned?

Mr. KANE. Well, I guess in my mind we strive to do better no matter where it is, Virgin Islands, Alaska, Continental U.S. In any given time——

Mr. HORTON. You are the most evasive answerer I have ever run across. Answer the question. Do you think you have a special problem with the Virgin Islands getting their mail.

Mr. KANE. I think we have a special problem with the Virgin Islands getting their mail from the Continental United States, three-day mail, yes.

Mr. HORTON. Then what are you doing to correct that problem? Don't tell me what you got in this piece of paper that you read, because I am not very impressed with that.

Mr. KANE. Let me define the problem.

Mr. HORTON. I noticed you were going to send Mr. Orlando to the Virgin Islands. Have you been there?

Mr. ORLANDO. Yes, sir, several times.

Mr. HORTON. The last time.

Mr. ORLANDO. Two, two and half years ago.

Mr. HORTON. Is that when the trailer was missing?

Mr. ORLANDO. I was not aware it was missing at that time. I was aware when an inspection service audit was conducted and I was informed several months ago——

Mr. HORTON. Do you have any missing now, Mr. Kane?

Mr. KANE. Not that we are aware of.

Mr. HORTON. Have you gotten a better system because you—to give us, for the record, and I don't have time to go into it now to track it down piece by piece, but I would like to know what kind of records you have on mail going into trailers and then how do you account for those trailers getting to the Virgin Islands or wherever

they have to go, and then how do you get information as to when that trailer has arrived?

There must be somebody at some point that knows that trailer has mail on it that is going to go to a certain destination, and somebody must have to make a piece of paper recording or they have to make a computer recording or something. I mean, maybe you are not up to computers yet in this system, but somebody must make some sort of a recording on that.

Mr. LELAND. Will the gentleman yield and I know I am encumbering your time.

Mr. HORTON. I am not worried about that. I wanted to get this information.

Mr. LELAND. Mr. Kane, let me put it another way. Maybe you can clarify it for both of us or all of us for that matter. It is astounding to me that even though the origin of the mail came from different places, all of it was going to one place and you got 400 complaints or grievances filed by your customers. Yet, you have no tracking mechanisms to determine that 400 complaints were about mailings to one place?

Mr. KANE. Yes. If—the answer is this: If you are getting claims from the people who put the mail on the trailer from around the country who mailed it to the destinating point, the Virgin Islands. They are submitting claims at their local Post Offices. I don't know of a procedure that we have that would roll up those claims by destinating point around the country and say every destinating points, this is how many claims you have.

Mr. HORTON. I am concerned about that problem, too, but I am also concerned about the fact that trailer X has mail on it that is going to the Virgin Islands or going to go to Rochester, New York or wherever it goes. You must have some system of tracking that piece of equipment.

Mr. KANE. Absolutely, yes.

Mr. HORTON. All right. Do you have in place a system like that now?

Mr. KANE. We had in place a system and we have improved upon the system we had.

Mr. HORTON. You didn't have a very good system then because you lost a trailer for two and a half years.

Mr. KANE. Yes. the system we had in place prior to that worked like this. You had 2 BMC's, Jacksonville and New Jersey. When they dispatched trailers, there was a phone call that went to the San Juan office. The San Juan office had a control board. They monitored and let the Virgin Islands know what was coming.

Then you have a bill of lading, paperwork document.

Mr. HORTON. That one got signed so that probably threw you off the track.

Mr. KANE. Exactly.

Mr. HORTON. Why did that person sign?

Mr. KANE. I don't know.

Mr. HORTON. Is that person still in the employ of the Postal Service?

Mr. LLITERAS. Yes, he is.

Mr. KANE. He is retired.

Mr. LLITERAS. No, he is not. He is there.

Mr. HORTON. I think you ought to track that down for us so we have some information about how that trailer got lost. I think also it is going to to be important for you to give us in the record what system you have now so that you are not going to have lost trailers.

I don't want any lost trailers any year in the domestic or the Virgin Islands or anyplace. I think the Postal Service, if it loses a trailer, one a year, not one every 12,000, but one a year, would not have a good record, Mr. Kane, to lose even one, in my book would be a poor performance.

Now, I think you got a special problem in the Virgin Islands. Maybe you don't think you have, but I think you have. I think somebody ought to take a look at the Virgin Islands and try to improve that service. Maybe it is a matter of better contracts. Maybe it is a matter of flying more down there. I realize you are not going to put it on the back of a swimmer and have him swim down there, but you are going to have to do better than what you have been doing in my book.

I think you have a special problem with the Virgin Islands and I was not aware of how bad a problem this is. But that is what this subcommittee is about, postal operations. The operations in the Caribbean division in my book is terrible. Based on the information I have received here and from my colleague, Mr. de Lugo.

I think there ought to be some personal attention given to it from the head of the mail processing. And also from the standpoint of your assistant, Mr. Orlando, you said you haven't been there in two years.

Mr. ORLANDO. Yes, sir, that is correct.

Mr. HORTON. I don't think that is a very good record. Somebody better get down there and find out and talk to the personnel down there and relieve some people, if necessary.

Mr. DE LUGO. Will the gentleman from New York yield to me at this point.

Mr. HORTON. Yes.

Mr. DE LUGO. You were asking about the procedure that was used. Let me read to you from the United States Postal Service Inspector's Report on the loss of that trailer. This is from the Postal Service's own investigation. Charles Thomas, as was interviewed on March 31, 1988, concerning his signature on PS Form 2988. Mr. Thomas—and let me point out here that he is a mail processor which is one of the lowest categories, and I would hope that it is not the policy of the Postal Service to have mail processors sign for millions of dollars of mail.

Mr. Thomas said that on November 6th, 1985 he was the claims and inquiry clerks and was one of the persons responsible for returning PS forms. Mr. Thomas explained PS form 1988 was filled out with information, Frank, taken from a locally maintained log. Do you want to know what the log was?

According to the Postal Service, the log consisted of a yellow legal sized writing pad. That is how they kept track of all of these trailers.

Mr. HORTON. That is the point I am trying to make, Ron. I think you have got a very bad system, in relationship to your trailer business and in the receipt of these things. There ought to be somebody

at a pretty high level with the knowledge of receipt of these things and there ought to be a better tracking record.

As I said, I think you have got a very special problem in the Virgin Islands. I would think that would have a very high priority on your agenda, and I think this committee, probably both these subcommittees are going to be looking very carefully to see what the track record is and there better be some better improvement than what I have seen evidenced here this morning.

Your testimony, as I said, does not impress me. I think you have got to do a better job to convince us that the Virgin Islands, which is part of our Postal Service, and I don't think I can stand up and be very proud of the Postal Service if we have got one of the members of our group that doesn't get very good service.

I am not going to get up and say that the Postal Service is doing a great job if Rochester, New York never gets their mail and the Virgin Islands don't get it for 14 days. I think that is terrible. As far as I am concerned, you better get a better system and get more people or better people managing it. I would think some heads will have to roll on these types of things and then put new people in there that have initiative and want to do a job.

Those are my thoughts on it. Yes.

Mr. KANE. Can I respond to your thoughts? I think there were four issues basically raised on the question surrounding basically the trailer. The concept of a clerical employee called mail processor to sign for a receipt of trailers is not something that is germane to the Virgin Islands. It used throughout the U.S.

We have clerical employees and quite honestly I don't consider——

Mr. HORTON. I don't know whether that is good or bad because I don't know how many trailers are lost and you don't know either. You just told me earlier you think there are a few, but you haven't told me whether there was or wasn't any loss.

You don't know how many were lost last year; is that right? I mean, is that right or not?

Mr. ORLANDO. Sir, if I might add a response to that, we do have on the mainland United States——

Mr. HORTON. Are you in charge of trailers?

Mr. ORLANDO. I am in charge of transportation which includes trailers, yes, sir.

Mr. HORTON. All right.

Mr. ORLANDO. We do have a very detailed tracking system on the mainland covering the movement of trailers to a designation when by the Highway Service or Rail Service or air.

Mr. HORTON. You don't find planes missing, do you?

Mr. ORLANDO. No, sir, we do not. They don't carry trailers, either. The concern I have and the point——

Mr. HORTON. They take the mail off them and put it on something else. You might get it lost that way.

Mr. ORLANDO. No, sir. We do not get it lost. Even if it is bumped off of a flight. But to answer your question more specifically, we are dealing with international ocean transportation, even though it is between two parts of the United States, it is an international ocean carrier. You are quite correct that our procedures were flawed and deficient for that matter and it was so noted by the in-

spection service report which allowed that employee to physically sign a piece of paper receipt for a trailer that wasn't there.

Part of that problem stems from the fact that the paper travels a different course than the trailer. The basic change that we have introduced is, Number 1, we are requiring the supervisor, not the clerk now, to sign for the trailer. Second, we are placing two copies of the actual weigh bill inside of the trailer, which says the only way you can sign for it is to physically receive the trailer, open the doors and pull the paper off the side.

That is the procedure we have implemented on that.

Mr. HORTON. That is pretty smart. That sounds good. Do you know how many are missing now? How many did you have missing last year? You didn't answer that question?

Mr. ORLANDO. In the domestic transportation I am not aware of as a result of our tracking system any trailer that has been lost via highway or rail service. There are certainly delays that occurred, particularly in the international market.

Mr. HORTON. Delays, but I am talking about losses.

Mr. ORLANDO. I am not aware of any single trailer that has been lost.

Mr. HORTON. All right. Thank you.

Mr. LELAND. The chair is going to take a few minutes and then allow the committee to proceed to continue under the auspices of Mr. deLugo, in that the Chair does have a statement on the floor, but the Chair will immediately return to the hearings and join his colleague from the Virgin Islands.

Let me, Mr. Kane, try to get an understanding from you. I understand that until recently there has not been any one person in the Virgin Islands responsible for the kinds of problems that we realized here in this one instance. Is that not correct?

Mr. KANE. No, we have—we have an organizational system in place that I believe addresses the concerns that you just mentioned. From a transportation point of view, we have a transportation management service center that overseas the Virgin Islands transportation and reports directly to Mr. Orlando, and from a management structure point of view we have the Virgin Islands and we have a field division director——

Mr. LELAND. This is in the Virgin Islands? This is just a coordinator. You don't have a postmaster for the Virgin Islands.

Mr. KANE. We have postmasters of individual post offices, but one of them is a coordinator.

Mr. LELAND. Why don't you have a postmaster that coordinates all activity in the Virgin Islands. For instance, in Houston we have a postmaster for the Houston area, which includes many postal facilities which are not necessarily confined to the city of Houston. Why doesn't the Virgin Islands have one person who would be the postmaster for the whole Virgin Islands?

It seems to me an organization like that would be the best possible structure.

Mr. KANE. Well, the structure in place now is several geographic areas have their own postmaster, and you are right. If you take other areas, you have one postmaster who has stations or offices reporting to that person. The organizational setup in the Virgin Islands gives you about four postmasters on St. Croix and one on St.

Thomas with an overall coordinator positioned on St. Thomas right now.

That is the structure that is in place now.

Mr. LELAND. Is the coordinator in St. Croix?

Mr. KANE. No. St. Thomas. You are correct, it is different than what you would find in Houston. You would find the postmaster in Houston and station managers of the stations in Houston reporting to the postmaster.

Mr. LELAND. Let me ask you something that might be a little more analogous. How does that compare to Hawaii, to Alaska, to Guam, Samoa. Is that the same structure?

Mr. KANE. Basically, the same division structure in Hawaii overseeing the islands of Guam.

Mr. LELAND. There is a coordinator that overseas the Hawaiian Islands or is there a postmaster?

Mr. ORLANDO. There is a postmaster, field decision general manager located in Hawaii to whom other postmasters such as Guam, American Samoa, some of the more remote islands report to the Hawaiian division.

Who is the highest authority for the Virgin Islands? Is it the coordinator or the postmaster in Puerto Rico?

Mr. LLITERAS. I am the general manager for the whole Caribbean.

Mr. LELAND. You are not the postmaster.

Mr. LLITERAS. I am the postmaster for San Juan?

Mr. LELAND. You are the postmaster for San Juan?

Mr. LLITERAS. General manager for the whole division.

Mr. LELAND. Is his position, Mr. Orlando, analogous to the situation in hawaii?

Mr. ORLANDO. Yes, sir, it is exactly the same. In Hawaii, as I said, we have a postmaster who is a postmaster of Honolulu and that individual is also field division general manager like Mr. Lliteras who covers the entire Pacific.

Mr. LELAND. I understand.

Mr. LLITERAS. In the Virgin Islands, the coordinator, is also the postmaster of St. Thomas.

Mr. LELAND. Thank you. I will return.

Mr. DE LUGO. Before you leave, Mr. Chairman, on that point you really went to the heart of the problem as far as local management goes. There is more than one postmaster in St. Thomas. There are several——

Mr. LLITERAS. There is only one in St. Thomas. Mr. Davis is the postmaster——

Mr. DE LUGO. You have a postmaster in St. John. You have several postmasters in St. Croix. What is the power of this coordinator? Does he have the power to run, for instance, the post office in Christiansted.

Mr. LLITERAS. He is supposed to have the jurisdiction over the other officers under the title of coordinator, for mail processing and everything else.

Mr. DE LUGO. Does he give orders to the postmasters?

Mr. LLITERAS. The Christiansted postmaster will not accept them.

Mr. DE LUGO. He can't give orders, then. How long has this been going on?

Mr. LLITERAS. The coordinator position was established prior to Mr. Davis. The other coordinator, Mr. Rudly, had the power over all the postmasters in the Virgin Islands. He was, I would say, tough. Mr. Davis, somehow the other postmasters do not like to follow his instructions.

Mr. DE LUGO. Well, I am less interested in personalities than I am in the system, if somebody is in charge. I will tell you why Mr. Davis isn't here with you, because I didn't ask him to come up here because I don't think he has the authority to run the postal system in the Virgin Islands.

He is called a coordinator. You just said that the other postmasters don't listen to him. You know, if he has the power, they are going to listen or they will be suspended or some disciplinary action will be taken; wouldn't that be the case?

Mr. KANE. If you go back in time and look at the coordinating concept, we had a district, a Caribbean district, San Juan, and there was a direct line relationship between the district manager and the individual postmasters in the Virgin Islands. A coordinator was put in to oversee, not a line authority position, but just to coordinate the activities of the postmasters in the Virgin Islands.

However, since that time, we reorganized to a division which is quite different than a district. Under the division concept you have a field director that has line authority under Cris Lliteras over the postmasters of the Virgin Islands. The question——

Mr. DE LUGO. Are you telling me that the postmaster, in this case, Mr. Davis, who is in St. Thomas at the Sugar Estate Post Office, that if I had him here before this committee now, I could hold him responsible for the mail service in the Virgin Islands or the lack thereof?

Mr. KANE. I think every postmaster, whether it is in St. Thomas or St. Croix or Indiana——

Mr. DE LUGO. You just told me about the coordinator for the Virgin Islands. I was asking you whether he has the authority to run the postal system in the Virgin Islands.

Mr. KANE. Every postmaster should have the authority to run his own post office within the guidelines that we have.

Mr. DE LUGO. Mr. Kane, I will give you some friendly advice. Before congressional committees it helps to answer the question.

Mr. Kane, I think you made a statement that the reason that no one was alerted to the loss of this trailer is because the claims, insurance claims and C.O.D. claims come from all over the United States. That is a statement you made, right? Well, we had over 400 insurance claims and 600 C.O.D. claims were filed. Wouldn't Postmaster Davis, or Mr. Herman in St. Thomas, the Assistant Postmaster, or Mr. Lliteras, wouldn't they have to sign those claims before they are paid?

Mr. LLITERAS. What Mr. Kane is saying is that the claim has to be established at the office of origin.

Mr. DE LUGO. Don't you have to sign the paper before payment is made?

Mr. LLITERAS. Anyone that fills out a claim, that is sent out to St. Louis. They process it. The process of those claims are claims made by the company that sends the parcel, the person that sends

the parcel to a son or to a daughter from New York. They have to establish the claim at that particular place. Now——

Mr. DE LUGO. Where does the local postmaster come into the picture?

Mr. LLITERAS. He accepts the claim and sends it to St. Louis.

Mr. DE LUGO. If you get a thousand claims, which is what we had here between C.O.D. and the insurance claims, and this is a thousand between three people, didn't that make you——

Mr. LLITERAS. Congressman, the thing is that the claim is placed by the person that purchased the equipment, whatever you want to——

Mr. DE LUGO. I understand that.

Mr. LLITERAS. If you sent a piece of equipment to someone in the Virgin Islands from Washington, that claim has to be placed by you, not by the person in the Virgin Islands.

Mr. DE LUGO. I understand that. Where does that claim go?

Mr. LLITERAS. It goes to St. Louis to be processed. St. Louis sends it and they say approved and then the claim is paid. That claim may take six months.

Mr. DE LUGO. St. Louis approves it? Where do they check?

Mr. LLITERAS. In St. Louis—the paperwork is made by the client and sent to St. Louis by the postmaster.

Mr. DE LUGO. St. Louis never checks with the local post office, the destination?

Mr. LLITERAS. No. It is done by the office of origin. By the way, those claims—remember that every piece of parcel that was delivered to the Virgin Islands from that trailer was delivered free of charge. We didn't charge them for anything. In other words, since——

Mr. DE LUGO. You mean you didn't charge them—wait a minute. You didn't charge them for delivering their mail two and a half years late.

Mr. LLITERAS. That is what I am saying.

Mr. DE LUGO. You want a gold star for that?

Mr. LLITERAS. No, sir. What I am saying——

Mr. DE LUGO. Leave it alone. Let us move on to something else. I mean I would, if I were sitting there.

Mr. LLITERAS. Okay.

Mr. DE LUGO. I would be glad to move on to something else. You know, what good is a fruit cake two and half years old, newspapers two and a half years old? I mean——

Mr. LLITERAS. Somebody could have returned it.

Mr. DE LUGO. Any way, you have to treat my people better, Cris. Let's get to some real problem areas. Let me just say that in the statement that was made by Mr. Kane, you said that you believed that solid progress had been made. You cited direct ocean shipment of trailers.

Well, that is not new. That goes back to 1981, around that period. What I was amazed to find out was that last year, instead of using several different companies, that a change in policy was instituted where you began using just one trailer company.

In your testimony here you say that last year only one ocean contract was awarded, whereas in prior years we had three ocean companies providing services. As a result, the Virgin Islands began

receiving more trailers at a time, a lot of trailers arriving at once on a less frequent arrival. That meant all this mail that came in came in late. It meant it was a tremendous strain on your personnel.

Why did you switch the system? You know, I am a member of this committee and I represent the district. The Postal Service never told me they were switching a system that I thought you had worked out because of my concerns. Why did you suddenly go from a system that was working to just one contractor?

Mr. ORLANDO. Let me see, sir, if I can answer that, Congressman. You are absolutely correct.

Mr. DE LUGO. We have probably become better friends than we intended because we have been at this since 1981; isn't that right, Jim?

Mr. ORLANDO. I will be the first one that candidly admits that the reduction from three contracts to one contract was an error on the part of the Postal Service. It was not a conscious error, however. We had a contract dispute, quite frankly, a legal fight between the three contractors, and the guidance we received from the legal department said we should not award a contract if we are not absolutely positive we are going to use the services of that contractor during the contract term.

My people inadvertently accepted that advice, not knowing the background of the service requirements of the Virgin Islands, and awarded service to a single contractor.

When I became aware of that, we went back out under emergency contracts and restored service to the other two contractors.

I think from that problem—undoubtedly we had to see some service difficulties and problems in the Virgin Islands with mail arriving during that period because, as you have suggested, it was bunching up and it was a massive load.

Mr. DE LUGO. Okay.

Mr. Orlando, in addition to the three contractors, we understand that there is another direct service available from Port Everglades.

Is that something new?

Mr. ORLANDO. This is something new we have just become aware of.

Mr. DE LUGO. You now added it to the service?

Mr. ORLANDO. Yes, sir.

Mr. DE LUGO. When we talk about these trailers, we are talking not about first class mail, which we will get to in a moment, but we are talking about second, third and fourth class mail, basically newspapers, packages and so forth.

Now, let me ask you about those trailers that go through Puerto Rico. You have a shipment down there and some trailers are for Puerto Rico and some are for the Virgin Islands, and the mail has been sorted. So the trailer does not—I was going to say does not get off-loaded, but perhaps it does.

How long does that trailer stay in Puerto Rico before it is shipped? How long does it stay there? What is the transshipment history?

Mr. ORLANDO. Usually, sir, the transshipment is the same day where it is transferred between the two vessels, the vessel arriving

into San Juan and the one going out to either St. Thomas or St. Croix. At the maximum it would be the next day.

Mr. DE LUGO. Does the Postal Service monitor this? Suppose the shipping company waits to load up because they haven't got a full load of trailers.

Mr. ORLANDO. Yes, sir, we do. In fact, I have gone just back in April, and you might be interested in what the more recent service has been. I asked my staff to see if they could develop some statistics of what has been happening since January 1st. The service to St. Thomas since January, in this case 27th, 1988, consists of 28 dispatches with average transit time of 6.5 days. Service to St. Croix since January 27th consisted of 21 dispatches with average transit time of 5.5 days.

Now, one of the things I have asked my people to do--and this is a transit time strictly from the two ports to the Virgin Islands--I have asked them to begin to check the trailers out and to report back to me the age of the mail that is put into those trailers at both North Jersey and Jacksonville, to see if we have a problem on the mainland that may be appearing in St. Thomas or St. Croix that is perhaps something—a difficulty on the mainland.

The transit times went very good, at least recently.

Mr. DE LUGO. Fine. You will continue to monitor that?

Mr. ORLANDO. Yes.

Mr. DE LUGO. In regard to Mr. Kane's statement regarding the trailers based on going back to the old procedure—which is three contracts, plus the addition of the Port Everglades direct shipments—I believe you stated that this would improve the service.

Let me put this question to you now. With this new procedure that you have outlined for the committee, are you confident that as far as second, third and fourth class mail, the Virgin Islands will get good service?

Mr. ORLANDO. Yes.

Mr. KLECZKA. Yes. The answer is yes. The new procedure put in will give us good service on second, third and fourth class mail.

Mr. DE LUGO. That should take care of the problem of the trailers. I am hoping that this committee is going to monitor the whole situation down there.

The problem of first class mail, now, that is a real problem. It is a real problem by your own testimony. It is a very, very frustrating thing to me, that in your testimony regarding first class mail—the area where we have the greatest number of complaints, first class and priority mail—that you say you are going to institute a new system and you are going to try some different procedures, but you don't tell us what you are going to do. You are just saying, well, it hasn't worked and we are going to try something else and trust us.

This has been going on since 1981. On first class mail you testified that on three-day delivery, the Virgin Islands will only get 65 percent, whereas the national average is 86 percent. We are getting 65 percent.

Now, let me ask you, on this you testified that all the mainland mail is presorted. Is there any mail that is from the mainland that is sorted at the present time that goes through Puerto Rico from the mainland, Mr. Lliteras?

Mr. LLITERAS. The one already presorted on the mainland, yes, that is transferred at the airport, transferred to the Virgin Islands. It is only a transfer.

Mr. DE LUGO. Only a transfer. You don't have any mail coming in from the mainland through Puerto Rico?

Mr. LLITERAS. There might be some mixed mail, but no presorted.

Mr. DE LUGO. I know, because if it comes in with the mail for Puerto Rico, it obviously hasn't been presorted. But the testimony here said it was all being presorted. That was the procedure set up years ago, all mail is supposed to be presorted at two major hubs here on the mainland.

You just testified to this committee, Mr. Kane, that it was all being sorted.

Mr. KANE. That precisely is the case. I think the question was misinterpreted.

Mr. DE LUGO. What percentage of mail are you sorting for the Virgin Islands that comes from the mainland, Chris?

Mr. LLITERAS. It is not that much. I would say——

Mr. DE LUGO. How can it not be that much when it is all being presorted up here? How do you have any?

Mr. KANE. The way it works—and you are correct, the system in place is mail from three regions going to Miami, where they sort it, to the Virgin Islands, mail from the Northeast and East, going to Queens, where they do the same, and the mail is broken down in Miami and in the New York area for the Virgin Islands directly.

The way we get into San Juan is if somebody made an error and keyed a Virgin Island letter into San Juan Island, that would flow to us.

Mr. DE LUGO. Let me tell you what is happening to your system, all right?

Are you aware that they do presort mail in New York, Hartford, Stanford and Boston—these are distribution centers. We have checked this out with on-line employees—not checked it out once, but over and over again. All mail sorted by letter-sorting machines, LSMs, is not separately sorted for 00800 zip codes, in distribution centers at Hartford, Stanford, Boston and New York City, but lumped into 00900s, Puerto Rico's mail. Mail that is manually sorted that is packaged and so forth, is separately sorted, but then the separately bundled Virgin Islands mail is put into the same sacks as the Puerto Rico bundled mail and resorted in Puerto Rico.

I see you shaking your head, Chris, but let me tell you what the Virgin Islands postmasters have informed a member of this committee. We checked with the postmasters in both St. Thomas and St. Croix. Mr. Davis told my office yesterday that 60 percent of the first class mail, 60 percent of the letters, are coming out of Puerto Rico and that only 40 percent come direct. Mr. Jackson of St. Croix testified to the same thing.

Now, either we are presorting it on the mainland, as you have told this committee, or we are not presorting it; 60 percent is not a couple of letters.

Mr. KANE. The distribution concept——

Mr. DE LUGO. We are not interested in concepts. We are interested in what is happening now.

Mr. KANE. What is happening in the continental United States is that mail is going into Miami, being sorted down to the Virgin Islands and pouched and dispatched to the Virgin Islands through Miami.

What is happening in the other two regions is mail is going from Hartford and Stanford, going into Queens, being sorted for the Virgin Islands and packaged separately and dispatched through Kennedy. New York makes up Virgin Islands separately.

What Mr. Davis might be referring to is his overnight mail, his collection mail that is going into San Juan and coming back out to St. Thomas, which is the procedure that we have in place after 5 o'clock. That I think might be where the mix-up is.

Mr. DE LUGO. Oh, no. That is completely a different thing. I am fully aware of the mail collected after 5 o'clock. I have been dealing with this since 1981. This is not a green member you are talking to. I know about the collection of the mail and we will go into that later. Your local mail, mailed in St. Thomas, that is taken by plane to Puerto Rico, sorted in Puerto Rico and then sent back the next day on a plane—don't mix them up like that. It is a completely different thing.

I am talking about mainland mail, first class mail, that you are only able to deliver 65 percent of the mail in three days. On the direct flights from the mainland to the Virgin Islands there are various carriers that carry this mail down as first class mail. The committee would like to receive all copies of all contracts for direct flights with the airlines. We would like to have them sent to this committee.

Mr. ORLANDO. Certainly, sir.

Mr. DE LUGO. I would like to request the same for the inter-island carriers that you are presently using.

Mr. ORLANDO. All right, sir.

Mr. DE LUGO. Let's see. Here are two examples of our first class mail. This is dated May 5. "Dear Congressman de Lugo, In response to your request for information or complaints concerning the Postal Service, I have been gathering statistics for about a month and a half. Thought you might be interested in the results. These statistics refer purely to first class mail received from the continental U.S., mostly from the East Coast. Of 93 pieces of mail received in this period, the average delivery time was 7.2 days. That is first class mail. Approximately half of the mail was received in five days or less, which I consider reasonable. The problem occurs with the other half, which takes two, three, and in one case even five weeks to get there. This shows severe inconsistency in the handling of first class mail."

This is another letter, and I will give you copies of all of them. This is from a Robert Sharp of Kingshill. "Dear Mr. de Lugo, In response to your request for information about the Postal Service on St. Croix, my observation is that the first class service on St. Croix, first class mail deliveries have deteriorated over the last several months. It now takes about three days longer than last year to receive mail from the New York area. The postmarks for the first week of April are included with this letter. The most frequent delivery time is nine days from New York. Please notice that three letters took 21, 11 and 10 days."

This is the Lutheran Church and this is local mail now. April 18th, "Dear Congressman de Lugo, On February 4, 1988, we mailed a church newsletter for Lord God Sabaoth Lutheran Church at the Richmond post office, and this newsletter"—I am not reading the whole thing—"did arrive in Frederiksted and Kingshill boxes within the next two to seven days. Now, that is reasonable service. But for the vast majority of our members who receive their mail at Sunny Isle, Richmond, Christiansted, direct delivery in the Princess or Star Route East End area, this February newsletter did not arrive until after March 15, more than two weeks after the delivery of the March newsletter."

The newsletters of Members of Congress, I believe, are supposed to be, by law, handled as priority mail; is that correct?

Mr. LLITERAS. Yes.

Mr. DE LUGO. What is the story on my newsletter?

[Discussion held off the record.]

Mr. DE LUGO. My newsletter, it had been delivered in St. Croix in a timely fashion. But in St. Thomas, it sat in the Post Office there for two weeks and was not put up until we contacted them. It sat there two weeks. That is priority mail. Okay.

Mr. MCCLOSKEY. What kind of answer did you get about the delay?

Mr. DE LUGO. They put it in the boxes. They put it out today. They got it out that day with no excuses.

Mr. DE LUGO. We have the question of the bumping of mail. All right. You stated in your testimony, Mr. Kane, page 8, regarding air transportation, a concern was raised about mail for the Virgin Islands being bumped off at Miami.

This sometimes happens on those flights which directly serve the Virgin Islands due to heavy passenger and baggage loads. You say you will ensure that when mail is bumped from these direct flights at either Miami or New York, it is dispatched on the next available carrier serving the Virgin Islands, whether it be direct or via San Juan.

Well, you know, you have been giving me these assurances since 1982, August 5, of 1982 regarding the very same problem, in a letter from then Postmaster General, William Bolger. "Postal Service considers two alternatives if a sack of Virgin Islands mail is bumped off a direct flight from the mainland to the Virgin Islands. Sometimes it puts the mail on a flight to San Juan, instead of waiting for the next direct flight to the Virgin Islands. Postal Service assures Congressman de Lugo that it chooses the method that provides the fastest possible service," in 1982.

You were assuring me the same thing. Why should my constituents feel that they are now going to get this mail?

Mr. KANE. Mr. Orlando had that particular issue checked out. Let him give you the results.

Mr. ORLANDO. Thank you, sir. In going back and checking the exact contracts that we do have, between Miami and St. Thomas and st. Croix, for example, we have two contracts between Miami and St. Thomas, one with Eastern and one with Pan American. One for a volume of up to 4,000 pounds maximum and the other for up to a maximum volume of 2,500. That is for St. Thomas. The

total average daily volume between Miami and St. Thomas is approximately between three and four thousand pounds.

If you add those two numbers together, it says that we have plenty of airlift during the normal or so-called average period. I don't think there is a problem of mail being bumped off at Miami. My people have gone down and checked Miami and they do not think there is a problem. On these particular contracts, when I give you a minimum or maximum volume range, it is the contractor's obligation to transport that mail, regardless of what its passenger load or baggage load is.

This is a positive booking space and if we become aware the carrier bumps mail within these maximums we have stated, we will fire him.

Mr. DE LUGO. Let me ask you the obvious question. You are saying it is not a problem, it is not being bumped in Miami or New York, then why can't the mail get down there. Why can't we get better than 65 percent delivery within three days?

Mr. ORLANDO. When Mr. Kane was talking about we wanted to take a look at the various distribution offices, the committee didn't understand that well. For example, if we are having a problem with mail put in a sack from other origins in the United States and labeled to Miami, but it is Virgin Islands mail, then we have to take a look at how well Miami is not only rehandling the Virgin Island mail, but also handling its own destinating mail.

We want the opportunity to look at that. We haven't had the opportunity and that is why we are unwilling to say to you today that that is a solution. It may be a problem and we may be able to fix it and therefore have fixed the Virgin Island problem as well. We don't know that yet, sir. We want the opportunity to look at it.

My concern is that we have flights that were destined direct from Miami to the Virgin Islands and from New York to the Virgin Islands and we have contracts to cover the volume of mail. There are two things that can happen. Number 1, the flight cancels in its entirely, and we certainly didn't want the mail sitting there until the next day for the same flight and incur a 24-hour delay when we can transfer at San Juan and do it in an effective manner.

So, it is a matter very much of using the best available transportation that we have, given the circumstances that occur on any given day.

Mr. DE LUGO. I interrupted you at a point where you said you found no problem with the bumping through your investigation of the mainland flights.

Mr. ORLANDO. For that time period, yes.

Mr. DE LUGO. What about inter island mail? Let me read you this.

"In December of 1983 Postal Service . . ." This is what the Postmaster General wrote me. "Postal Service is training local employees to prepare air carrier irregularity reports so the airlines can be fined if they do not provide good service on mail shipments."

I want to know what were the results of this training. What was the result of this procedure that was supposed to be put in to place. How many complaints were filed or any fines issued.

Mr. ORLANDO. I can't give you the answer off the top of my head, but we will provide the data for you. I have a couple of general observations I should make. You are correct. We did commit to training the local folks in the Virgin Islands in the proper procedures of executing the documentation that would allow us to fine the air carrier when an irregularity occurred.

One major change, however, Congressman, in 1985 we underwent airline deregulation and it has been a whole new ball game since 1985. In the days prior to 1985 an air carrier, by act of Congress, had to transport United States mail. They had no choice. Today that is no longer true under airline deregulation. They may elect to bid on a contractor. They may elect not to bid on a contract.

So the fines that we are referring to in the 1983 correspondence, in fact, do not take place today. If we have a contractor that doesn't perform, we do wish to document that lack of performance, we will counsel him and if he doesn't correct the problem, we will terminate his contract. We think that is a far more drastic measure than issuing a $5 fine against him.

Mr. DE LUGO. On the matter of staffing, Mr. Kane, you said that you increased over the years. In 1985, you had 107 employees in the Virgin Islands. In 1986, that was up to 113 and in 1987 employees were up to 121.

Mr. LLITERAS. Sir, that refers to St. Thomas.

Mr. DE LUGO. The statement says staffing of our post offices in the Virgin Islands.

Mr. LLITERAS. It is an error.

Mr. KANE. It refers to the St. Thomas office.

Mr. DE LUGO. Okay. So you will give us the right amount which is, I believe, 226.

Mr. LLITERAS. The whole Virgin Islands.

Mr. DE LUGO. Yes, the Virgin Islands figures for the record.

Mr. KANE. Yes.

Mr. DE LUGO. When we say for the record, I don't need it now. Submit it for the record.

Now, in your briefing paper you discuss counter expansion. First of all let me point out that the problem with window services is not just the windows being open, but how many windows are going to be open and at what time of the day? This is a big complaint that I get, particularly on the island of St. Thomas where you have got this incredible cruise boat industry where you have got people coming off of these cruise boats, crew and others, who wait until they come to the Virgin Islands because it is a U.S. territory to buy money orders and to ship parcels back to their families. These windows get tied up.

The local people can't get to the windows, particularly during the hours when people get off work. Let's, first of all, take the question of the number of windows or stations.

In Sugar Estate, you say that in 1984 you had six and then you say it is now nine.

Mr. LLITERAS. It is 10. It has been increased. It has been increased in the last two weeks. It was nine. Now, it is 10.

Mr. DE LUGO. Well, I was going to tell you, Cris, it must have been increased since yesterday, because our count is seven.

Mr. LLITERAS. Excuse me, Congressman. The 10th window is a window that is only parcel post so that we can cut down the lines.

Mr. DE LUGO. Let me tell you one of the big problems that we have in the Virgin Islands, and I don't know whether this is a national problem, but I know it is a problem in my district. That is that the Postal Service just doesn't make use of resources that are available to it for free to inform the public.

One thing I have in my district is media that are very oriented to public service. They give all kinds of time—whether it is the newspapers, television, or radio—to public service broadcasts, talk shows, what have you. They will run your spots for free. And, yet we find the Postal Service institutes a zip code with no warning. Bam! A whole new system is put in after people have printed their stationery and their business papers with the old zip code. We just put it in.

When you put that zip code into the Virgin Islands, did you discuss it with the community? Did the community feel that the institution of a new zip code would be helpful?

Mr. LLITERAS. Prior to implementing the new zip codes, no, it was decided——

Mr. DE LUGO. Suddenly you got all these zip codes for the Virgin Islands.

Mr. LLITERAS. This was done for the purpose of increasing services to the customers, and I, myself, spoke to the Virgin Islands news and, I explained to them prior to instituting the zip codes exactly what was to be done with those zip codes, including the fact that they could use the old zip codes on all the correspondence, and to be aware of the new zip codes.

Mr. DE LUGO. When you say you spoke to the news, are you talking to single newspapers or are you talking about a press conference or what?

Mr. LLITERAS. No. I spoke to the news, and I spoke to the Journal, Virgin Islands Journal.

Mr. DE LUGO. You spoke to two newspapers?

Mr. LLITERAS. Yes.

Mr. DE LUGO. Two newspapers. When was that, Cris?

Mr. LLITERAS. As soon as we got the notification that it had been approved.

Mr. DE LUGO. How far in advance of the announcement that this was going into effect did you discuss it with these two newspapers?

Mr. LLITERAS. Congressman, we were not sure when they were going to be approved. They were approved at headquarters. As soon as they approved it, it came out in the postal bulletin, and that is the time I notified all the postmasters. They went on radio and went on T.V. and announced it to the news.

Mr. DE LUGO. The local postmasters went on the radio and T.V. on this thing?

Mr. LLITERAS. Well, I can only go by what they tell me.

Mr. DE LUGO. They did this after it had been instituted?

Mr. LLITERAS. After it had been approved.

Mr. DE LUGO. Well, how much time was there between the time it was approved and when it was instituted?

Mr. LLITERAS. As soon as it was approved, it was instituted. It came out in the postal bulletin. You got a copy of it.

Mr. DE LUGO. Don't you think it would be reasonable for the Postal Service to give some advanced education to the people, some warning that we are putting in a whole new system?

Mr. LLITERAS. Yes, sir. If I knew in advance they were going to be approved, yes.

Mr. DE LUGO. Why does it have to be implemented today? It is approved.

Mr. LLITERAS. That is when I get knowledge of it.

Mr. DE LUGO. That makes no sense in my judgment.

Number two, now that you put in the approval and you are going to institute this whole massive thing, a whole new zip code system for this territory, how many zip codes do we have?

Mr. LLITERAS. It is an additional zip code to each office.

Mr. DE LUGO. How many new zip codes have we got?

Mr. LLITERAS. You have an additional one, one for Veterans Drive, one for Emancipation Garden. You have one for each of the offices of St. Croix.

Mr. DE LUGO. You go from one zip code to approximately 7 zip codes.

Mr. LLITERAS. This is supposed to improve the performance in the Virgin Islands.

Mr. DE LUGO. That is theory. We have been hearing theory about all kinds of things that were supposed to be instituted and in theory they were supposed to work better and they have not.

Mr. LLITERAS. Common sense will tell me that if I separate carrier mail from the box mail, I am doing something better.

Mr. DE LUGO. I will tell you what, Cris, common sense tells me if I am running a busines I am printing up my stationery, billing, cards, and all that stuff with the return address. Suddenly I am informed that my return address is kaput because a new system had been put in and that no longer is my zip code. That is a hell of an inconvenience and could cost a lot of money if you want to reprint these things.

Let me get to my point. That is how I feel about. You can talk all day. You are not going to change my feeling. That is my judgment of the situation.

Number 2, since this new system was coming, why was it that you institute a new zip code and yet you had no change of address forms in the Virgin Islands.

Mr. LLITERAS. If they didn't have this form change, it is the fault of the Virgin Island Postmaster.

Mr. DE LUGO. Now, Mr. Lliteras, this is one of the big problems we have with the Postal Service, at least in my district. I don't know whether it applies in other districts, but when something goes wrong like this, the zip code is instituted and there are no change of address forms, you come before this committee and you say, well if that is the case, it is the fault of the Postmasters in the Virgin Islands.

Now, listen to what the Postmasters in the Virgin Islands tell me when I am getting all my information here for this hearing and I am calling them and they know when I call that it is a very serious matter. Davis told me he didn't have the forms because they weren't sent over from Puerto Rico. The problem here, Mr. Chairman, as I said, to get right to the issue, is who is in charge in the

Virgin Islands. I mean, I would have Mr. Davis here if he had authority.

I would like to have for this committee an outline of the powers of the coordinator for the Virgin Islands. What is his job description, what powers does he have? I also would like to have a job description of the postmaster in Houston you made reference to.

Mr. LELAND. That is correct.

Mr. DE LUGO. So that I can compare the two.

Mr. KANE. We will provide that.

Mr. DE LUGO. One of the problems is with scheduling with these windows. You get to rush hour and the cruise boats are in and you have all these different windows and half of them are closed.

Will you look into that matter?

Mr. LLITERAS. Yes.

Mr. DE LUGO. Another problem is mentioned here. Look at all the good things that are in this report that you all prepared for me. You say lobbies have been equipped with necessary forms for articles to be mailed, and there is, of course, talk about the stamp machines. The stamp machines are almost always empty. When the new increase went into effect, there were no 3-cent stamps in the Virgin Islands last month when we went from 22-cent to 25-cent stamps.

You say that there are continuous lobby sweeps enabling management to canvas the customers in line for proper preparation of their mailings before they arrive at the service counter. God, I wish it was true, but it isn't.

C.O.D. pick-ups are extremely slow. At the same window as money orders and other items, when you pick up your C.O.D. package there, the lines just go out of sight. This leads to the matter of training, because, if this doesn't show that there is a real problem with management, I don't know what would.

One of the issues I have raised was inadequate training. Your reply is that managerial staff have received training in appropriate subject areas at William F. Bolger Management Academy, Potomac, Maryland. I would like to get a list of who in the last three years went there for training and for how long.

You stated in your statement here, that postmasters as well as supervisors have received training at the William F. Bolger Management Academy in the Postal Employee Development Center, Post Office, San Juan. My understanding is that these are usually two sessions of two weeks each, held annually. But in the case of Postmaster Davis, he said his last session was in 1986.

Mr. LLITERAS. I don't follow you. You are talking about training or are you talking about——

Mr. DE LUGO. I am talking about training. I am going from the briefing paper prepared for me by the Postal Service. This is not my stuff. This is yours. It says, postmasters, as well as supervisors are getting trained at the mainland training post, and if they don't go there, they go to you in San Juan.

Mr. LLITERAS. Yes.

Mr. DE LUGO. Is this correct?

Mr. LLITERAS. Yes, that is correct.

Mr. DE LUGO. How often?

Mr. LLITERAS. I couldn't tell you.

Mr. DE LUGO. What is the length of time?

Mr. LLITERAS. We can give you the whole complete training session.

Mr. DE LUGO. You tell me how the postmaster in St. Thomas said he hasn't any training since 1986.

Mr. LLITERAS. Let me check it out and we will give it to you.

Mr. DE LUGO. What kind of evaluation reports are done on management? How often are they done and by whom?

Mr. LLITERAS. They are done in the Virgin Islands by Mr. Falu, the field director, and——

Mr. DE LUGO. Mr. Falu works under you in Puerto Rico, is that right, not in the Virgin Islands?

Mr. LLITERAS. He is a field director of the Postal Service. They are in charge of all the AO's.

Mr. DE LUGO. How often does Mr. Falu do that?

Mr. LLITERAS. Once a month. He goes once a month and meets with all the postmasters because they meet on a Wednesday, all of them, together with Mr. Falu and they discuss the problems they have. The postmasters meet once a month.

Mr. DE LUGO. I am not talking about Mr. Falu being responsible for these evaluations. These evaluations are based upon a once a month meeting that he has with the postmasters in Virgin Islands? and which islands do they meet at?

Mr. LLITERAS. No, sir.

Mr. DE LUGO. You told me that.

Mr. LLITERAS. No, sir. They are done on the daily reports that come into the division of ours, hours, productivity, budget, that comes in every day.

Once a week it comes combined into one form and he bases it on that. We get the reports on safety, sick leave, overtime, every week. He evaluates the postmaster based on those figures.

Mr. DE LUGO. You say, in the same briefing paper that was supplied to me, that the amount of employees has been increased based on volume. All right.

Mr. LLITERAS. Yes,

Mr. DE LUGO. We would like to get the increase in mail volume in the last three years. Let's go with a three-year cycle.

Mr. LLITERAS. We will give you increase on the man-hours.

Mr. DE LUGO. You know what we ought to touch on here, and that is the mail that is made up at 5 o'clock, that is dropped in the various post offices in the Virgin Islands. If you are mailing a letter in St. Thomas and it is going from the Veterans Drive post office and you drop it into the local mail slot, that letter stays in St. Thomas provided it is before 5 o'clock. It is handled locally and let us say the designation is Sugar Estate so it doesn't leave the island. But if it is after 5 o'clock, what is your procedure?

Mr. LLITERAS. After 5 o'clock it comes into San Juan, all the collections after 5 o'clock comes into San Juan where it is processed on the equipment that we have and is turned around for delivery the next day.

However, no problem in St. Thomas. The airport closes at 8 o'clock at night and opens at 7:00 which means that instead of we getting our mail into St. Thomas by 5 o'clock in the morning we have got to wait until 7:00.

Mr. DE LUGO. You have got to wait until 7:00.

Mr. LLITERAS. That is right.

Mr. DE LUGO. Now, this mail is taken by carrier to Puerto Rico and then it is sorted.

Mr. LLITERAS. This is on a dedicated airplane. Then it comes into the AMF, the AMF is transported by truck into the main office.

Mr. DE LUGO. Where is that main office located?

Mr. LLITERAS. Located in Roosevelt Academy, which I would say is about in the center of the San Juan area. Then that is——

Mr. DE LUGO. Okay. So it goes by truck to——

Mr. LLITERAS. By contract truck that we have leaving every hour on the hour. The case of the Virgin Islands we have dedicated one particular truck that as soon as we get a call in San Juan that the plane has arrived, we send a truck to pick it up.

We pick up the mail that comes in. The automatic equipment we have, mechanized equipment that we have, it is put into that in the Virgin Islands. That mail leaves complete on the next day to the Virgin Islands.

Mr. DE LUGO. When you stamp this mail, when you are processing it, it is stamped Virgin Islands?

Mr. LLITERAS. Yes.

Mr. DE LUGO. With a die?

Mr. LLITERAS. A die that comes in that says San Juan or St. Thomas, yes.

Mr. DE LUGO. Is that more cost efficient to take that mail after 5 o'clock, bundle it up and take it out to the airports, on both St. Croix and St. Thomas, because both islands do this. You have to truck it out to the airports, put it on a plane and hope that plane is there and so forth and so on. Then you fly it to San Juan, put it on a truck, take it out there, sort it, change the die, stamp it, cancel it, bag it up again, truck it back to the airport, put it on the planes for St. Thomas and St. Croix, find out that it is delayed now because the airport isn't open until at 7:00, but finally it comes in 7 o'clock, then you unload the plane, put the bags on the truck and take them to the post office.

Mr. LLITERAS. Let me say, Congressman——

Mr. DE LUGO. Is that more cost efficient than to add some additional employees and do it right there in the Virgin Islands?

Mr. LLITERAS. Oh, yes, much more. Let me say something. We have port—areas in Puerto Rico, the western part of the island for this conversation. The whole Caribbean is an area of processing in San Juan.

Mr. DE LUGO. I don't understand you.

Mr. LLITERAS. All the postal offices in the Caribbean, Virgin Islands and all of Puerto Rico is sole transported to San Juan for processing, processing——

Mr. DE LUGO. All transported there when?

Mr. LLITERAS. At night. Let me tell you that the western part of the island takes longer to get to San Juan than the mail from the Virgin Islands to San Juan. It takes three and a half hours.

Mr. DE LUGO. I don't represent Puerto Rico.

But if the people of Puerto Rico are satisfied with that——

Mr. LLITERAS. I am trying to make a point that there is no delays.

Mr. DE LUGO. I am not satisfied with 65 percent for my constituents. I am sure this committee isn't going to be satisfied either.

Mr. KANE. Can I add something to the question, Congressman.

Mr. DE LUGO. Yes.

Mr. KANE. The point is a good one. We took a look at it. The cost effectiveness really comes down to 30-minute flights, the cost of a 30-minute flight, the extra flight, versus manual canceling operation in each of the operations in the Virgin Islands versus a mechanized one in San Juan.

Mr. DE LUGO. People that have to bag it up and truck it and everything.

Mr. KANE. See, you have to do that anyway.

Mr. DE LUGO. Is any of the Virgin Islands' mail being used to justify the cost of the new equipment put in there? Is that why this equipment is over there in Puerto Rico? You have to bring in the mail, as Mr. Lliteras said, from all over the Caribbean to justify the sophisticated equipment you have got in Puerto Rico? Or couldn't it be done in my own district?

Mr. KANE. You couldn't put the equipment in the Virgin Islands from——

Mr. DE LUGO. I am asking you whether you are using my constituents mail to justify the cost effectiveness of this new equipment?

Mr. KANE. The mail volume that the Virgin Islands' mail volume would be in the total volume used to justify any new equipment. The issue of the cost, basically comes down to the extra leg of transportation versus a manual operation, canceling and processing, plus opening up the post offices at night with the related air conditioning, heat and so on.

So the bottom line would be more cost-effective than the situation you have right now.

Mr. DE LUGO. All right. Mr. Chairman, I am not going to take any more of the committee's time. We have made a number of requests here. I do feel that the post office is not making use of many tools that are available to it in the community, which I touched on. The media, for instance, can be very helpful in advising people as to steps that are being taken.

I feel that it would be very helpful if a number of things were instituted. Perhaps I will outline that in a letter to you all and hope that you will respond for the record. For instance, what steps will be taken to make it easier for your customers to mail during the 12:00 noon to 2:30 period, to be able to get to the windows when these crew ships are in? What steps you are going to take to educate people as to what the post office is trying to do so we know?

I will give you an example. You go into a post office in the Virgin Islands. In your briefing paper to me you say lobby drop boxes are distinctly marked to distinguish between local and out of town slots. Okay. Let's say I go into the Post Office in Veterans Drive on St. Thomas. Do the slots say, "local" and "out of town," or do they say "out of town," and "off island?"

Mr. LLITERAS. It says——

Mr. DE LUGO. They say "local" and "off island". Let's say I am going to mail a letter now to St. Croix. Is that local or is that off island?

Mr. LLITERAS. It is supposed to be local.

Mr. DE LUGO. How would I know that?

Mr. LLITERAS. From St. Thomas to St. Croix, it is off island.

Mr. DE LUGO. It is off island.

Mr. LLITERAS. Yeah.

Mr. DE LUGO. You are positive of that, Cris?

Mr. LLITERAS. Yes, yes.

Mr. DE LUGO. If I go in there and I mail my letter to go to St. Croix, that is not local mail. That is off island.

Mr. LLITERAS. Let me say something, Congressman.

Mr. DE LUGO. You are not sure of it anymore?

Mr. LLITERAS. No. On this—we have discussed this and I think we have to go back to the Virgin Islands with Mr. Falu and the postmasters. We had an instance that came up that people did not know where to put the mail. I don't know where we are going to it unless we put another box next to it saying, "local mens here," or something like that.

Mr. DE LUGO. I serve on the Postal Committee and I know my district and when I walk into the Post Office and I see a slot that says "local" and "off island," if I am mailing to St. Croix, or if I am on St. Croix mailing to St. Thomas, I don't know whether that is local or off-island.

It can be interpreted both ways. That is not the customer's fault. We have to find a way so that the customer knows. This is making problems for your people who have to sort that mail because the letter is going into the wrong slot.

I am not going to waste the committee's time, but it is not a matter of looking at it just among yourselves and making a decision like you did with the zip code. You have got to let your customers know what is going on. That is where, you use the media. Let them know that. Put the signs properly.

You know, we are a group of islands.

Mr. LLITERAS. There is one thing, that myself, going back, we have in Christiansted, we have in Kingshill and we have in St. Thomas the E.I., the employee involvement, and this is——

Mr. DE LUGO. Employee involvement, where the employee makes suggestions for improvement in the system.

Mr. LLITERAS. Yes, sir.

Mr. DE LUGO. I can tell you that is not being followed. One of the things the employees are most frustrated with is that they come up against these problems in the day-to-day handling of postal problems and they make recommendations to the powers that be and they are ignored.

Go ahead.

Mr. LLITERAS. Follow me. One of the things that I said that I am going to do on the next employee involvement meeting, I am going to be present, is that we are going to throw all this local problems that—you know, like the boxes, we will throw it out in the employee involvement for them to work on and come up with a solution.

Mr. DE LUGO. Let me tell you. I would like to see the employees involved in seeking these solutions. But, of course, if you are throwing it to the employees, we don't expect to have several hundred of the employees before this committee. We expect that you will take most seriously the fact that in a very major area such as first class

mail, we are not going to tolerate first class mail being delivered 65 percent of the time. That is no good.

It has got to get up to the national average. If it doesn't, I am sure these chairmen will pursue this matter. These constant promises go back to the beginning in 1981, and this is the first time that we have had a hearing on this. I am sure that this committee is not going to tolerate the continuation of this type of performance. So it is very important that you gentleman take this hearing most seriously, and that you don't misread this and come in here with a statement that is going to say such things as we have improved the level of mail service, and we believe solid progress has been made, and let you think that that is going to smooth this over or that is the last you are going to hear about it for a few years. Because I don't think that will be the case.

Mr. KANE. Can I respond to that?

Mr. DE LUGO. Sure.

Mr. KANE. I agree with you. I do think there has been a lot of progress made but I think we have some key issues made. One of the key issues in my opinion is the continental three-day service back to the Virgin Islands and the number of 65 percent is accurate. That is what our tracking systems are telling us that the service level is, not any one particular letter, but in effect the sampling system of the gross service overall for the past seven, eight months.

The thing that is troublesome is if you go back to 1984 or go back earlier in the eighties, as you say, we went up, that was, I guess right after the time we put a team in there, the same or measurement of the three-day service when several improvements were being made was at the same level, 65 percent.

In fact, to give you the specifics, there was 65 percent in a three-day standard and your numbers were correct, to get 9 percent on time back in the early eighties, it took us seven days. To get 99 percent of the time in today's era, the eight months of today, we are dealing with six days, a day better, not a major change.

The three-day standard is still at 65. I agree with you, I think that is one of the key areas we have got to focus on now in terms of improving that.

Mr. DE LUGO. Let me assure you that that is not acceptable. You say that it went up to 65 after we had that major effort when Walton was down there with the task force. It shook up the whole system and put in a number of things that worked.

When you say 65 percent then, 65 percent in relation to what? Prior to Walton going down there, it was taking up to a month to get a first class letter in the Virgin Islands.

Mr. KANE. Absolutely. I am kind of agreeing with what you are saying and trying to point out a future direction really, since that time many additional things has been put in, additional staffing and other things, the continental service to the Virgin Islands pretty much is the same, which leads us to the point that we were trying to raise in the testimony.

We have got to look at—pretty much got to look at the system more in terms of can we improve or can we shift the system we have in place now to sort the mail——

Mr. DE LUGO. What you are telling me, and we both agree on this, is that is the major problem area. We have got others, but I am not going to take the committee's time. That is a major problem area, and with all of the efforts you made, it is only up to 65 percent. You have got to get it up to the national norm.

The national norm is 86 percent. You have got tremendous resources. Let's do it. You know, it is not hard to find the Virgin Islands. All those tourists find the Virgin Islands all the time. We are not a remote place anymore. You have got all kinds of resources. All the major airlines fly down there.

Mr. Chairman, you have been most patient. My constituents and I thank you and I thank you, Frank, too.

Mr. Chairman?

Mr. LELAND. I thank the gentleman for his vigilance and his attentiveness to the problems of his constituents and I certainly empathize. Over the years we have had various people come to me from my district, and my constituents tend to expect more out of me because I happen to chair the Subcommittee on Postal Service.

I am sure that the gentleman from Indiana feels the same kind of heat. I will say that we are no less sensitive about the problems of the gentleman from the Virgin Islands, as we are about our own problems. From that empathetic perspective, let me express that we want to do all we can to make sure the gentleman's constituents are receiving the kind of service that is due them by the Postal Service.

Our oversight capacity has brought our witnesses here today to try to ameliorate or at least to understand the problems and with some hope that there will be some solutions provided in the future. This chair, and I know I speak for the gentleman from Indiana also, we will work to do what we can to ensure that the maximum amount of service can be rendered to the folks of the Virgin Islands.

By the way, Ron, though I have been to the Virgin Islands once, I still don't know where it is. I would like for you to show me the way.

Mr. DE LUGO. You guys better shape up. Mickey Leland is a good friend of mine. Mickey Leland honeymooned there so he has fond memories of the Virgin Islands.

Mr. LELAND. I don't want to get stuck over there and can't get mail from people who might want to send me mail.

Mr. DE LUGO. Let me say something to you, Mr. Chairman, and also to you, Frank, in all seriousness. I want you to come down to the Virgin Islands, and I know you will get the usual stuff back in the district about junket in the Virgin Islands. It is beautiful.

We are American citizens down there and we pay for the services and we pay our taxes and we need the same services and same reputation that is given to every other jurisdiction in the United States. I want this committee to come down to the Virgin Islands in a few months and let's take a real look at this problem. I want you to give me a hand in solving it.

Mr. LELAND. The Chair has already instructed the staff to begin working on a trip by the subcommittee and we are going to work out a time that is convenient for the joint subcommittees to go to the Virgin Islands to look at the situation.

We would also hope to spend some time in Puerto Rico with Mr. Lliteras so he can show us what is going on over there since they are the so-called umbrella authority for the Virgin Islands. I am not concerned about the accusation about the junkets here.

Last year I was in Africa five times, mostly in Ethiopia and Angola, so I paid my dues in terms of the places that I needed to go to to do hard work for the Congress and the people of the United States.

Let me say that because the place is as beautiful and has the kind of resources that the Virgin Islands has, we certainly don't look at that as being a junket of any kind for any superficial measure.

We feel that your constituents are as in need of support, as ours are in our district. It is important for us to make site visits to places like the Virgin Islands and we came to Congress to confront controversy, not to run away from it. If in fact there is some kind of controversy raised by us going to where your constituents are, so be it. I hope I speak for the chairman of the Postal Personnel Subcommittee; actually I know I do. We appreciate that you bring this matter to us and the invitation to visit with your constituents.

The gentleman from Indiana might have a question.

Mr. McCLOSKEY. I am concerned very much that has been going on for five or six years, and quite frankly it does have an aura of no one beating the charge. Could I ask the group here for a pledge of when you would have the overall system equaling the national averages? This thing can't flow down into another five or six years.

Mr. KANE. I didn't pick that up. Can you say that again?

Mr. McCLOSKEY. I am asking simply can we hear a pledge from this group from the Postal Service as to when the Virgin Islands postal efficiency will equal or exceed national averages.

Mr. KANE. On the overnight portion of it now, the two-day portion is where we are going to be pushing on and, yes, we are going to get there. We are going to try to get there.

Mr. McCLOSKEY. When do you think that will be?

Mr. KANE. I have quite frankly no way to give you a time frame because the problem, not to take up the time of the committee, the problems are quite different than the continental problems that you have in the U.S. that gives you the national average.

Whether we can get the total to that point, we are going to take a good shot and run at it, but you are dealing with different geographic situations.

Mr. LELAND. Mr. Kane, excuse me. Let me suggest that we understand the differences. We know that there is a different set of circumstances with respect to the Virgin Islands, Guam, Hawaii, as well as similar places.

We understand that, but we are in the 20th century, latter part of the 20th century for that matter. We have landed people on the moon and we are doing all kinds of exploration. President Reagan went to Moscow and met with the biggest Communist leader in the world.

It seems to me, given all of those conditions, that a problem the Postal Service has with the Virgin Islands can be resolved. I mean 65 percent is inexcusable. Whatever set of circumstances that you

need to draw up that adapts to the conditions in the Virgin Islands, you ought to be able to do that.

We have new leadership now in the Postal Service and we depend on that leadership to do some things that will help this situation, but we can't excuse the fact that the Virgin Islands has a different set of circumstances than Houston, Texas.

We can't excuse that. We have tremendous intellectual capability in the three men sitting right here in your leadership. I know you are not going to deny your intellectual capacity to be resourceful and creative, in order that we can adapt to the circumstances confronting my colleague from the Virgin Islands.

Mr. McCLOSKEY. I guess the thing I am obviously concerned about is that you have known this is a problem. You have known this is a problem for years. You have known this hearing is coming. You have given a good overview of the suggestion, and I apologize for not being here for the whole hearing. But surely you would have a feel for how long it would take to bring the system up to the standards that you would be proud to say were more than reasonable. Otherwise, no one is in charge, no one is working on it.

Mr. KANE. I am not trying to hem and haw. I am trying to be realistic with the committee. The issues contained in the discussion that has been going on for the last time period, you are dealing with transportation issues and the concept of bumping during times and passengers and baggage taking preference, Number one.

You are dealing with the distribution concept that I think we have to change. What I mean by that, Congressman, is the concept of sorting it in the continental U.S. or funneling into Miami and in New York from different parts of the country, what we have to do, I believe if we want to consult with Congressman deLugo and get opinions from other players in the game, I think we have to set up a different distribution system to try to improve over that 65 percent.

We have got another situation in terms of errors because—if you understand our system and I know you do, letters are being sorted on letter sorting machines at one a second. If somebody in the midwest sees a Virgin Island piece and if they see a piece once every three months because of volume, they are startled by it and what happens is it is more likely to be hid in the wrong spot than if they see mail volume coming by on an ongoing basis.

So we have got that to deal with also. We have got a certain set of variables and try to put it as clear as I can to try to get the Virgin Island three-day service up to the national average. Our intent to put a plan together is to try to do that and to push towards that goal.

Mr. McCLOSKEY. Do you have a feeling, as a postal administrator, as to how long it is going to take?

I mean, I am not rushing you but you want to have a system that you would be proud of. That is more than reasonable.

Mr. KANE. I would say over the next year I think we can put some fixes into the system that will be reasonable and we can be proud of.

Mr. McCLOSKEY. That sounds a little bit problematic. Mr. de Lugo and Mr. Chairman, I would suggest that we do least attempt

to review or follow-up on this by September 15th before we all disband.

That should be enough time for them to work out the problems.

Mr. LELAND. The chair agrees.

Mr. DELUGO. Fine with me.

Mr. LELAND. The purpose of the hearing having been served, the Chair would like to now end the proceedings and thank the witnesses for their appearance and testimony.

Thank you very much.

[Whereupon, at 12:45 p.m., the subcommittee was adjourned, subject to the call of the Chair.]

[The following letter and enclosures containing answers to written questions were received from the Postal Service for the record. The support documents referred to as attachments A through I are retained in the subcommittee official file.]

ASSISTANT POSTMASTER GENERAL
Government Relations Department
Washington, DC 20260-3500

September 1, 1988

Honorable Mickey Leland
Chairman, Subcommittee on Postal
Operations and Services
Committee on Post Office and
Civil Service
House of Representatives
Washington, D.C. 20515-6246

Dear Congressman Leland:

This is in response to your June 14 letter to Postmaster General Anthony M. Frank, sending a copy of the transcript for correction and posing additional questions for the record of the June 2 joint hearing on mail delivery problems to the Caribbean.

Enclosed you will find the corrected transcript and responses to your questions. If you require any additional information, please contact me on 268-3731.

Sincerely,

William T. Johnstone

Enclosures

LOGISTICS AND ROUTING

QUESTION 1. In a June 4, 1981, letter to Congressman de Lugo, Assistant Postmaster General Harry Penttala promised that all Eastern Region post offices will send their Virgin Islands mail to New York by highway instead of railroads which will save up to 3-7 days.

Is this still being done, and, if so, is it being done around the country or just in the Northeast?

ANSWER All First-Class Mail and Priority Mail for the Virgin Islands originating in the Eastern and Northeast Regions is trucked or flown to the Air Mail Facility (AMF) at New York's JFK Airport for dispatch. Southern, Central, and Western Region mail for the Virgin Islands is trucked or flown to the Miami AMF for processing.

QUESTION 2. In the same letter to Congressman de Lugo, Assistant Postmaster General Harry Penttala promised that U.S. Postal Service would initiate a system-wide education campaign to insure all employees know that mail to the Virgin Islands and Puerto Rico should not be processed as foreign mail.

Was this done, and, if so, when was it done and by whom? Have any follow-up programs been held, if so, when and by whom?

ANSWER Yes, notification was issued to all post offices via the *Postal Bulletin* on August 13, 1981. No similar effort was made until recently.

QUESTION 3. Also in the same letter to Congressman de Lugo, Assistant Postmaster General Harry Penttala promised to develop a standard system for notifying San Juan when ships leave for San Juan, as well as the trailer numbers and contents of each trailer at New York and Jacksonville bulk mail centers.

Was this system instituted and, if so, why didn't it work with the trailer that was lost in November 1985?

ANSWER Yes, such a system was instituted and worked very well except for the one trailer in question. The receipt of that trailer was documented erroneously by an employee closing the verification loop at the Virgin Islands Post Office. We have since corrected this situation by enclosing the documentation in each trailer. Therefore, a trailer cannot be considered delivered unless that documentation from the trailer is signed at its destination and returned to origin office.

QUESTION 4. In a November 16, 1981 letter to Congressman de Lugo, Penttala promised that the Postal Service will initiate regular quality control checks on the make-up, distribution, and routing of mail from New York to San Juan and the Virgin Islands.

Was this program instituted? If so, please send copies of the control checks.

ANSWER Yes, a quality control program was instituted. Attachment A includes an example of one such check and descriptions of on-going checks.

QUESTION 5. Again on November 16, 1981 to Congressman de Lugo, Penttala stated that the Postal Service had begun regular early morning air taxi from San Juan to St. Thomas and St. Croix.

Is the early morning air taxi punctual and how much volume do they carry? Please send a copy of the existing contract.

ANSWER From 1981 through December 1984, an air taxi was in place which arrived at St. Thomas and St. Croix between 5:00 a.m. and 7:00 a.m. This air taxi was very punctual.

Since the January 1985 full implementation of air deregulation, which affected the transportation of mail, we have utilized a segment contract. The present contractor for both St. Thomas and St. Croix is Flamenco Airlines which has good on-time performance. The schedule and requirements are as follows:

San Juan to St. Thomas

Tender time: 4:00 a.m. - Delivery time: 5:00 a.m. Tuesday through Saturday, the airline must be prepared to carry between 1500 to 7000 pounds; Saturday through Monday, the weight range is 800 to 7000 pounds. (This arrival time has been temporarily changed to 7:00 a.m. because of construction at the airport.)

San Juan to St. Croix

Tender time: 4:00 a.m. - Delivery time: 5:00 a.m. Tuesday through Saturday, the airline must be prepared to carry between 1000 to 3500 pounds; Saturday through Monday, the weight range is 300 to 1500 pounds.

A copy of Flamenco's contract can be found in Attachment B.

QUESTION 6. In a July 2, 1982 letter to de Lugo, Postmaster General William Bolger stated that the Postal Service was monitoring to be sure air taxi service was on time and not leaving mail unattended at airports. Is the Postal Service still monitoring? Please send copies of the written report.

ANSWER American Eagle and Flamenco Airlines transport most of the mail between San Juan and the Virgin Islands. There have been no recent reports of mail left unattended. Mail volume carried by American Eagle is usually around 100 pounds a flight. Flamenco carries the heavier volume, and this mail is transferred immediately to the highway contractors' vehicles at the airports. Attachment C is a sample of the monitoring done of all airlines' on-time performance for July 9-15.

QUESTION 7. Also in the same letter, Postmaster General Bolger stated that New York had begun shipping surface mail in separate 20-foot trailers that were transferred at the San Juan dock, but not re-sorted in San Juan. Jacksonville was considering doing the same. How frequently is the mail shipped and what is the dock time in San Juan?

ANSWER The mail is shipped twice weekly and the dock transfer is accomplished within 24 hours of arrival at San Juan.

QUESTION 8. In an August 5, 1982 letter to Congressman de Lugo, Postmaster General William Bolger explained that daily air taxi service from San Juan to the Virgin Islands now operates in the early evening as well as in the early morning. Are these taxis punctual and what is their current volume?

ANSWER As stated in response to Number 5 under a deregulated environment, we have segment contracts which are also contracted to Flamenco Airlines. The schedule and requirements are as follows:

San Juan to St. Thomas

Tender time: 5:00 p.m. - Delivery time: 7:30 p.m. Tuesday through Saturday, the airline must be prepared to carry between 800 to 2000 pounds.

San Juan to St. Croix

Tender time: 5:00 p.m. - Delivery time: 6:00 p.m. Tuesday through Saturday, the airline must be prepared to carry between 500 to 1500 pounds.

Flamenco enjoys a good performance record. The only reason for failure to perform a trip is because of weather conditions. Flamenco owns three Norman-Islanders, one Tri-Islander, and one DC-3. Capacity ranges from 1300 pounds on the Norman-Islanders to 7500 pounds on the DC-3. See attachment C for sample current volumes.

QUESTION 9. Also in that letter, Postmaster General William Bolger stated that the Postal Service considers two alternatives when mail is bumped from direct flights from the mainland to the Virgin Islands. The first alternative is either to place the mail on the next available flight to San Juan, or send the mail on the next flight to the Virgin Islands. The Postal Service chooses the fastest possible service, assured Bolger.

Is this the most efficient method? What is the present process used in transferring mail to a San Juan flight? Who supervises or oversees this process to make sure it is being done properly?

ANSWER Yes, San Juan Transportation Management Service Center (TMSC) officials determine the last direct flight to the Virgin Islands. Any mail generated after that time is dispatched on flights arriving in San Juan to connect to the two early morning flights (Flamenco 0400) to make that day's delivery. If connections cannot be made, it is held for the next morning's direct flight to St. Thomas/St. Croix. The New York and Jacksonville TMSCs along with the respective airport mail facilities in New York and Miami closely monitor to ensure compliance.

QUESTION 10. In the same August 5, 1982 letter, Bolger stated that Jacksonville Bulk Mail Facility loads Virgin Islands mail on 40-foot trailers, in separate sacks so that the mail does not have to be re-sorted when shipped to Puerto Rico. Who is the official that makes sure this is done?

ANSWER Both the New Jersey Bulk Mail Center (BMC) and the Jacksonville BMC make up dedicated containers which are shipped directly to the Virgin Islands. These containers are either transported directly to the Virgin Islands or transhipped via the dock in San Juan within 24 hours. Jacksonville TMSC officials oversee these contracts.

QUESTION 11. It was explained in a 1983 briefing paper that all mainland post offices with enough volume separate Virgin Islands and Puerto Rico mail before sending it to San Juan. The paper also went on to say that post offices with low volume sent their mail to New York and Jacksonville to be separated before being sent to San Juan.

What mainland post offices follow this procedure? How consistent are they? Who oversees this process in the mainland post offices?

ANSWER San Juan is a separation required at all postal facilities processing outgoing mail. New York City, Bronx, and Miami also sort mail to Virgin Islands separations. This same separation procedure is followed by the major mailers.

QUESTION 12. In the same August, 1983 briefing paper, it was discovered that Virgin Islands and Puerto Rico mail was still being found in the same mail sacks in San Juan.

What are the postal officials doing about this? Who checks on this? Were there any reports filed on this matter? Please send copies.

ANSWER Quality control checks are conducted periodically on mail make-up and copies of the checks are available in each office. As seen in Attachment A, these checks are made by managerial personnel on both islands.

QUESTION 13. In testimony given in November 1983 by Postmaster General William Bolger, it was stated that Jacksonville had begun using 20-foot trailers exclusively for Virgin Islands mail to avoid sorting in San Juan.

How effective is the use of 20-foot trailer exclusively for Virgin Islands mail? How long is the docking time in San Juan?

ANSWER Please refer to the response to question 10.

QUESTION 14. In September 1987, Eastern Metro Express received a contract to carry mail directly between St. Thomas and St. Croix, instead of going through San Juan.

At present, how much volume do they carry? Are there any reports reflecting the efficiency or inefficiency of this new process? Who is monitoring the process? Please send a copy of the current contract.

ANSWER Eastern Metro Express runs under the Eastern Airlines system contract. Local postmasters are responsible for ensuring Eastern Metro Express gives good service, and no reports of problems have been received by the San Juan Transportation Management Office.

FACILITY AND OPERATIONS

QUESTION 1. Postmaster General William Bolger, in a letter dated July 2, 1982, wrote that the Postal Service will cycle Virgin Islands mail trucks to San Juan for repairs and that San Juan will provide replacements. Is this still being done? If so, how often and what are the results?

ANSWER The entire fleet of vehicles on St. Thomas and St. Croix was replaced with refurbished vehicles in 1984 and 1985. An additional effort was made to replace the entire fleet in both islands in 1987 and 1988. The result is as follows:

St. Thomas	St. Croix
7 - Broncos	8 - Broncos
6 - 2 Tons	4 - 2 Tons
1 - K-Car	
1 - 2 1/2 Mobile Van	
1 - 2 1/2 Ton	

QUESTION 2. Also stated in the same letter was a planned installation of a repair shed on St. Croix that would handle minor vehicle repairs. Was this ever done?

ANSWER The repair shed was constructed on St. Croix. Vehicle maintenance for the island of St. Croix is centralized at the Christiansted Post Office.

QUESTION 3. In the same July 2, 1982 letter to de Lugo, Postmaster General Bolger stated that the Postal Service had installed new backup generators in the post office in Sugar Estate on St. Thomas, and in the post offices in Christiansted, Fredericksted, and Kingshill on St. Croix. Were the generators installed in all these facilities? Do they work properly? What is the maintenance schedule?

ANSWER Backup generators were installed and are operational in all post offices and stations of the Virgin Islands. Maintenance service is provided monthly.

QUESTION 4. In December 1983, Postmaster General Bolger reported that the District Manager was studying installation of backup electrical generators at the Emancipation Garden and Veterans Drive Post Offices on St. Thomas. Were these generators installed? If so, when?

ANSWER Backup generators were installed in the later part of 1984 in the Emancipation Garden and Veterans Drive Post Offices.

QUESTION 5. In the same report of December 1983, Mr. Bolger reported that the District Manager was studying the acquisition of heavy-duty, right-hand drive vehicles to replace the current fleet of K-Cars on St. Thomas. Was this done? What is the status of the current fleet? What maintenance schedule is in effect?

ANSWER Right-hand drive vehicles to replace the then-current fleet of K-Cars on St. Thomas were not provided. Refurbished vehicles were provided in 1984, and in 1988 a fleet of the new long-life 2 1/2-ton vehicles replaced the refurbished vehicles provided in 1984. The total vehicle needs for both islands have been satisfied.

Maintenance is performed Monday through Wednesday on St. Thomas and Thursday and Friday on St. Croix.

QUESTION 6. In September 1987, the Postal Service awarded a bid for major expansion of the Kingshill Post Office on St. Croix. What is the progress of the construction?

ANSWER Construction is underway for the expansion of the Kingshill Post Office on St. Croix. Planned completion date is late 1988. Everything is on schedule.

QUESTION 7. In September 1987, the Postal Service awarded a bid to design an expansion of the Veterans Drive Post Office on St. Thomas. What is the status?

ANSWER A bid for the expansion of the Veterans Drive Post Office has been awarded. The design will be completed soon. An environmental assessment has been requested by the Virgin Islands Government, and we are asking for bids on conducting that study.

QUESTION 8. In a November 16, 1981, letter to Delegate de Lugo from Assistant Postmaster General Harry Penttala, it was stated that the Postal Customer Council for the Caribbean District was created as of July 1, 1981.

What is the present status and make-up of the Council? How often has it met since 1981? Please send copies of the minutes of any meetings held in the last twelve months.

ANSWER The San Juan Postal Customers Council is active and meets regularly. The St. Thomas Postal Customers Council was organized in April 1986. Up until 1983, the postal council was active on St. Croix. The Division Director, Marketing and Communications, together with Virgin Islands postal officials, have taken steps to revive the council on St. Croix. See Attachment D for more information and copies of minutes.

QUESTION 9. In the same November 16th letter, Mr. Penttala stated that the Postal Service had shown a customer service video to all Virgin Islands employees. When was this done, in which post offices, and by whom?

ANSWER A customer service video, "Challenge to Excellence," was shown to all Virgin Islands employees in 1983. There have been quite a few other courses and videos on customer courtesy shown to window clerks, including periodic service talks given by supervisors.

QUESTION 10. A May 3, 1982, briefing document for Postmaster General William Bolger stated that all Virgin Islands window employees were receiving a two (2) hour block of training on customer courtesy. Some employees were getting the full four (4) hour training in human relations. Please state the name, date and place where each employee received training.

ANSWER Window service employees in all offices were given a training program "Retailing Postal Products/Courtesy and Customer Relations." This training was done on-site at various facilities in 1983. Jose Caeres and Carment Anna were the instructors.

QUESTION 11. In an August 1983 briefing paper, the Northeast Regional Office was urged to establish a follow-up coordinator to monitor the implementation of all improvements. Was this done? If so, what happened to this position?

ANSWER Yes, the Charlotte Amalie Postmaster was designated as the Virgin Islands Coordinator. Periodic visits are being made to the weekly and biweekly Virgin Islands postmaster and managers meetings, the agenda of which is set by the coordinator.

QUESTION 12. In December 1983, Postmaster General Bolger reported that the Postal Service was training local employees to prepare air carrier irregularity reports so that the airlines could be fined if they do not provide good service on mail shipments. What

were the results? How many complaints were filed? How many fines were issued? Please send copies of the reports.

ANSWER Airline performance is monitored constantly. Attachment E gives a sampling of recent reports. Since segment contracts with Flamenco Airlines were initiated, no irregularities have been noted.

QUESTION 13. In the same report, it was stated that the Postal Service added mail handlers at the main post office on St. Thomas to handle unloading ocean carriers. How many were added, and when?

ANSWER Yes, two mail handlers were added to St. Thomas in early 1984. Since 1986, at least six casuals per year have also been added as support.

QUESTION 14. Again, in the same report, Customer Service Representatives from the Caribbean District were to begin visiting the Virgin Islands every 2-3 weeks. Please send copies of the reports on these visits.

ANSWER The Director, Field Operations, Mr. Carlos Falu, and Director, Marketing and Communications, Mr. Ivan Puig, have been visiting the Virgin Islands post offices for one week each on a monthly basis. Their verbal reports have been discussed at the divisional staff meetings. Recommendations for improvement in service are given to the responsible postmaster. Attachment F gives an overview of the issues reviewed in such meetings.

QUESTION 15. That same report also stated that the San Juan District Office was to have held postmaster meetings in the Virgin Islands occasionally and the Northeast office would increase its visits to the Virgin Islands to monitor developments there. Send copies of these reports.

ANSWER The Virgin Islands postmasters held managers' meetings on a weekly basis from 1985 to 1987. Since 1987, the meetings have been held on a bimonthly basis. Copies of the minutes are found in Attachment F. Representatives of the Northeast Region make periodic visits.

LOGISTICS AND TRANSPORTATION

QUESTION 1. Is mainland originated mail destined for the Virgin Islands pre-sorted separately from Puerto Rico destined mail at all AMPs (Area Mail Processing Centers) on the mainland? State where.

ANSWER Yes, all offices.

QUESTION 2. How is foreign mail processed?

ANSWER Originating offices send foreign mail to San Juan. San Juan routes foreign mail directly to England, Spain, and Italy. South American countries are routed through the Miami Air Mail Facility (AMF).

Some of the West Indies mailings are dispatched directly from San Juan based on transportation and volume. Mail for European countries other than England, Spain, and Italy, is addressed through John F. Kennedy AMF. Volume and transportation determines the mode and system for dispatching foreign mail from the Virgin Islands through San Juan.

QUESTION 3. Have any "awareness programs" been instituted at processing centers to insure proper pre-sorting? If so, when was this instituted and for how long was it done?

ANSWER Yes, there are notifications in the *Postal Bulletin* with restatements from the Northeast Region. A Headquarters notification, dated June 23, 1988 from Mr. J. Orlando, Director, Transportation and International Services, was also issued.

QUESTION 4. How is mainland mail, all classes, for Puerto Rico and the Virgin Islands transported from AMPs to gateway cities? What gateway cities are being used?

ANSWER Parcel post/bulk business mail/second-class mail is sent to the New Jersey Bulk Mail Center (BMC) and the Jacksonville BMC. First-Class Mail is sent to JFK or Miami for dispatch. Effective September 15, 1988, First-Class Mail for the Virgin Islands originating in Atlanta or Chicago will be distributed and dispatched directly to the Virgin Islands. We plan to also implement this procedure in Dallas and Boston by October 15, 1988.

Priority Mail--if connections permit routing--is made directly from the office of origin.

Express Mail is sent directly from the mainland to St. Thomas and St. Croix until cut-off time, when it is routed through San Juan to meet transportation requirements.

QUESTION 5. How many and which direct flights are being used for DIRECT MAIL air transport to the Virgin Islands? (Please identify by carrier, flight number and times) Send copies of current contracts.

ANSWER A printout giving the carriers, flight number and times for all direct mail transported to the Virgin Islands can be found in Attachment G.

QUESTION 6. If the limited number of direct flights to the Virgin Islands cannot take all of the mail, what is the procedure and how does the contract address this situation? Who supervises the transfer to Puerto Rico flights? What happens when that mail arrives at the San Juan airport?

ANSWER The Transportation Management Service Center (TMSC) controls and coordinates schedules for the movement of the mail destined for the Virgin Islands. If carrier space is a problem on a scheduled direct flight to the Virgin Islands, the next available flight is utilized regardless of the airline. This secondary coordination is the direct responsibility of the airline and Air Mail Facility personnel. They prepare new routing tags and assure that this mail is rerouted to its destination. When this mail then arrives in San Juan, a dock transfer is made and the mail is forwarded via Flamenco Airlines to the Virgin Islands.

American Eagle and Eastern Metro are utilized on occasion because of the system flights of American Airlines and Eastern Airlines. Eastern Metro is not scheduled to carry mail to the Islands from San Juan and since space availability is not assured, they prefer not to be used in the planned route schedules. They are used to carry mail between the Islands, where they can handle the volume tendered. Flamenco Airlines segment contracts, American Eagle, and Eastern Airlines flights 947 and 945 handle all mail volume from San Juan to the Islands. That same is true for incoming mail to San Juan from the Islands, except Eastern flights 944 and 946 are used.

QUESTION 7. What procedure and mode of transportation is used for non-first class mail? Pleas describe in detail for the different classes.

ANSWER The procedures and mode of transportation used for non-First-Class Mail are as follows:

--Bulk Business Mail, parcel post, and all surface mail is transported via trailers to the Virgin Islands.

--Though the volume of missent mail is high on the trailers destined for both St. Thomas and St. Croix, this missent volume is airlifted to its proper destination, e.g., St. Thomas to St. Croix and vice-versa.

QUESTION 8. Is non-first class mail destined for the Virgin Islands pre-sorted at mainland AMPs?

ANSWER No, non-First-Class Mail destined for the Virgin Islands is presorted.

QUESTION 9. Please describe how trailers with Virgin Islands mail are handled.

ANSWER Trailers destined for the Virgin Islands are handled in the following manner:

A) The originating BMC informs San Juan via FAX of the trailer number, date of sailing, destination and time of arrival. Documentation is now enclosed within each trailer.

B) San Juan relays this information to St. Thomas and St. Croix via telephone and memo.

C) When the trailer is received in the Virgin Islands, the necessary forms are completed, signed and returned to the Logistics Manager, San Juan. They are also sent by FAX to the originating BMC. A copy is retained in the processing office.

QUESTION 10. How is first class mail sent from Puerto Rico to the Virgin Islands? What carrier is used? What is the term of the contract between the post office and the particular carrier? what is the procedure in the event of a bumped flight?

ANSWER First-Class Mail is sent on Flamenco Airlines to the Virgin Islands from Puerto Rico via two daily segment flights to each island. Flamenco Airlines has been contracted for one year. There are also backup system flights on Eastern Airlines and Pan Am Flight Number 947 is utilized for all classes of mail from St. Croix. The approximate time of arrival on St. Thomas is 9:35 p.m. Eastern Metro is not interested in carrying mail to or from San

Juan. There are four American Eagle flights with up to 100 pounds capacity, used exclusively for Express Mail going to St. Thomas. For St. Croix there are five American Eagle flights exclusively for Express Mail.

QUESTION 11. How is non-first class mail sent from Puerto Rico to the Virgin Islands?

ANSWER All non-First-Class Mail sent from Puerto Rico is airlifted from San Juan to the Virgin Islands.

QUESTION 12. Please describe, in detail, where a letter mailed in the Virgin Islands, destined for another island in the Virgin Islands is canceled. How is it transported? Which carrier is used? When does the contract between the post office and this carrier expire?

ANSWER There are two types of collection boxes on the Virgin Islands. Blue and white collection boxes are designated for local mail; regular blue collection boxes are intended for non-Virgin Islands mail. At present, the 5:00 p.m. collection mail is separated at the point of collection. The non-Virgin Islands mail is sent to San Juan at 7:30 p.m. and the local mail is canceled, distributed and worked to the post office boxes at the Main Office the same evening it is collected. The mail for the stations is pulled and prepared for the first trip at 7:00 a.m. the next morning. In addition, mail from Cruz Bay for St. Thomas is processed and delivered the next day.

Effective September 6, 1988, St. Thomas will process all of the Virgin Islands originating mail on St. Thomas and route it to flights to promote overnight service. Thus, all local Virgin Islands destinating collection mail will be processed in the Virgin Islands. Non-Virgin Islands mail will continue to be routed to San Juan for processing.

Airline system contracts usually expire after one year. Segment contracts span two years.

QUESTION 13. Is any mail that stays within the Virgin Islands canceled in Puerto Rico?

ANSWER See answer to question 12.

QUESTION 14. Where is Virgin Islands mail destined for the mainland canceled?

ANSWER All Virgin Islands mail destined for the mainland or foreign countries is canceled in San Juan.

QUESTION 15. Describe, in detail, how Virgin Islands mail destined for the mainland and/or foreign countries is handled, including methods of transportation for all classes.

ANSWER All mail destined for the continental U.S. is routed to San Juan for processing. It is then dispatched to area distribution centers on the mainland.

Foreign mail is usually handled in the following manner:

A) There are some direct dispatches to the West Indies.

B) Destinating European and African mail is routed through Kennedy Airport AMF.

C) Central, South American, and West Indies mail is routed through Miami AMF.

D) Far East mail is routed through San Francisco, California.

If volume dictates, separation and direct dispatches are made, e.g., Spain, Great Britain, Italy, and Germany.

QUESTION 16. Please describe, in detail, how express mail is handled going in and out of the Virgin Islands. How long does an express mail package coming from the mainland take to reach the V.I.? Does it take the same amount of time for an express package going from the V.I. to the mainland.

ANSWER Destinating Express Mail for the Virgin Islands is handled in the following manner:

A) The Express Mail is picked up at the airport by a contract carrier.

B) It is then routed to the processing office (Kingshill-St. Croix, GPO Sugar Estates and St. Thomas).

C) Each Express Mail piece is logged for its destinating office.

D) In St. Croix, Kingshill routes the Express Mails to Fredericksted, MPO Christiansted and its stations.

E) All offices log each Express Mail piece to ensure:

1. Accountability
2. Determine failure rate upon arrival
3. Maximize control for telephone inquiries

F) The customers are contacted if a telephone number is provided.

G) Express Mail destined for a post office box is written up immediately and a P.S. Form 3849 is distributed to the post office box.

H) Express Mail destined for carrier delivery is routed immediately to the addressee.

Outgoing Express Mail, received before the cut-off time of 12 noon, is made to connect with the Eagle matrix (with direct flights into JFK). After the Eagle matrix has been met at 12 noon, the routing of Express Mail is done via San Juan, which has numerous connecting flights to ensure two-day delivery.

Based on present logistics, the following post office areas accept Express Mail until 5:00 p.m. for arrival in the Virgin Islands by 10:30 a.m. the following day:

003, 004, 006, 068, 070, 088, 100, 109, 110, 119, 122, 124, 142, 146, 188, 232, 276, 283, 292, 323, 328, 330, 365, 443, 447, and 489. (Numbers represent the first three digits of an area's ZIP Code.)

In all other locations, Express Mail is accepted for two-day guaranteed delivery. As transportation changes, the list of originating cities also changes.

QUESTION 17. What is the policy on delivering express mail when it reaches the Virgin Islands? Is the recipient called by phone; notice put in the box; or hand delivered? Is the same policy in effect at all post offices?

ANSWER See information in answer to question 16. All offices have the same policy: expedite and deliver as soon as possible.

QUESTION 18. What is the present volume of mail for all classes, including express mail to the Virgin Islands and how does this compare with 1985?

ANSWER Note the following Virgin Islands (008) incoming volume analysis:

FY-1985 (Accounting Periods 1-8)	FY-1988 (Accounting Periods 1-8)	Percentage Increase
Letters + Flats (feet):		
149,898	160,948	+7%
Parcel Post (pieces):		
889,699	1,530,252	+72%

QUESTION 19. Why was there no advance notice given of zip code changes? Why were the zip codes for box holders changed when they represent the largest category?

ANSWER There is a growing demand for post office boxes in the Virgin Islands. Additional ZIP Codes were needed to facilitate mail processing operations. By adding these ZIP Codes, post office box mail, bearing a separate ZIP Code, can now be segregated during primary processing operations and bypass additional sortations which were required before the change. This increases our ability to process and deliver all mail in an efficient and economical manner. By assigning a separate ZIP Code for post office boxes at each office, we can fully accommodate future growth in this area and can avoid making additional address changes in the future.

A decision was made to apply the new ZIP Codes to post office box customers consistently throughout offices on the Virgin Islands. On St. Thomas, two new ZIP Codes were added to differentiate post office box customers at the Veterans Drive and Emancipation Gardens Stations from the post office box customers at the Sugar Estates Main Post Office, who already had a separate ZIP Code from the St. Thomas carrier customers. Four new ZIP Codes were established within Christiansted to differentiate the post office box customers at the Main Office and the Downtown, Sunny Isle, and Gallows Bay stations. The same differentiation would not have occurred if we had simply established a new ZIP Code for the carrier customers in Christiansted. In the case of Christiansted, even if this differentiation among post office box customers at the main office and its stations were not required, there are more carrier customers than post office box customers who would have been affected by a ZIP Code change. In the case of Fredericksted, Kingshill, and Cruz Bay, one new ZIP Code was added to distinguish the post office box customers from the carrier customers. In Fredericksted, there are approximately the same number of carrier deliveries as post office box deliveries. In Kingshill and Cruz Bay, there are more post office box customers than carrier customers.

These ZIP Codes were requested and were approved in Washington and appeared in a *Postal Bulletin*. The media was informed and briefed immediately on the changes; the changes were covered by local television, radio and three local newspapers. Change-of-address kits were provided for the customers to address to their mailers. Window clerks were also instructed to continually alert customers of the new ZIP Codes.

Delivery of mail bearing the old ZIP Code will not be adversely affected during this transition. Affected customers were notified of this fact at the time they were notified of the changes, shortly after the new ZIP Code assignments were approved.

The Postal Service recognizes certain difficulties which could be caused when addresses are changed. Consequently, it is our policy to publicize adjustments when practicable and to notify publishers mailing to customers within the area. We furnish change-of-address notices to affected customers for their convenience in notifying correspondents of their new addresses. Their use is not mandatory, however, as the notification can be accomplished through the normal exchange of correspondence. Finally, while we encourage customers to plan to use the new address and notify their correspondents about it as soon as practicable, as indicated above, mail received with the old ZIP Code will be redirected to the proper delivery point. Customers can use up existing supplies of stationery.

QUESTION 20. Why hasn't the problem concerning the high amount of unclaimed CODs been resolved? What is the current volume compared with 1985?

ANSWER The problem of high volume of unclaimed CODs has been resolved.

Postal customers are informed of CODs in a timely manner. It is the customer's responsibility to pick up the COD within the specified time period. As an agent between the mailer and the customer, it is our responsibility to comply with the guidelines dictated in handling CODs.

BUILDINGS, EQUIPMENT AND MAINTENANCE

QUESTION 1. At present, how many vehicles are available for each post office, what type, and how many were available in 1985?

ANSWER

1988

St. Thomas	Christiansted	Kingshill	Fredericksted
7 - Broncos	6 - Broncos	1 - Broncos	1 - Broncos
6 - 2 Tons	2 - 2 Tons	1 - 2 Tons	1 - 2 Tons
1 - K car			
1 - 2 1/2 Mobile Van			
1 - 2 1/2 Ton Parcel Post			

1985

St. Thomas	Christiansted	Kingshill	Fredericksted
4 - Broncos	3 - Broncos	1 - Broncos	1 - Broncos
[illegible] 1 Ton	6 - 1 Ton	1 - 1 Ton	1 - 1 Ton
- K car			
1 - 2 1/2 Mobile Van			
1 - 2 1/2 Ton Parcel Post Van			

The entire fleet on both islands has been equipped with new, dependable vehicles.

QUESTION 2. How many vehicles are currently inoperable at each post office and how long have they been in that condition?

ANSWER

All vehicles are operational and in excellent condition.

QUESTION 3. How many employees handle vehicle maintenance?

ANSWER One vehicle operations maintenance analyst performs vehicle maintenance for both islands.

QUESTION 4. Describe the security in the Sugar Estate Post Office and the security procedures for the "cage" and the locked box.

ANSWER Security precautions at the Sugar Estates Post Office are in place. Doors are locked and employees or customers use a buzzer to alert and request entry to postal premises. In regard to the registry cage, it remains locked at all times and a sign-in log is utilized to maximize control. The existing cage is too small for the volume of incoming registered mails. A larger registry cage has been constructed, and a self-locking mechanism is to be installed. During service talks, employees are instructed not to remove mail from post office boxes. Exceptions to this policy are for post office box customers who have forgotten their keys; upon request, a supervisor may retrieve the mail.

QUESTION 5. Has any money been missing at the Sugar Estate Post Office in the last 2 years? Please give full details.

ANSWER In May 1988, $10,000 was found missing from the deposit to the bank. The Inspection Service has been notified.

QUESTION 6. Why hasn't the Postal Service secured space and a ramp guard at each airport, even though this was promised since 1982?

ANSWER Space availability is a problem at the airports on both islands. At present, action is being taken to secure two proposed spaces at the airports. Bids for ramp clerk positions have been finalized and the successful bidders should shortly begin their assignments.

MANAGEMENT AND PERSONNEL

QUESTION 1. How many permanent, full-time employees are currently on board in the Virgin Islands? List by post office.

ANSWER This information is provided in Attachment H. There is a total of 121 permanent, full-time employees.

QUESTION 2. How many permanent full-time employees were on board during 1985?

ANSWER In 1985, there were fewer permanent full-time employees, but the actual number is not available.

QUESTION 3. How many non-permanent employees are presently on board; and how many of these same employees were on board in 1985? Please provide a complete listing of all positions by title, permanent and non-permanent of each post office in the Virgin Islands.

ANSWER Refer to the listing provided in the answer to question number 1. There were no casuals employed in 1985. At present there are 17 casuals on the rolls.

QUESTION 4. For how many years have vacancies for permanent, full-time positions existed?

ANSWER All vacancies are filled on a timely basis. When volume increase dictates assistance is needed, additional routes are created, additional window service positions staffed, and additional casuals are hired to augment the work force.

QUESTION 5. How many employees are classified as part-time flex employees? How long have these employees been classified in this manner and why?

ANSWER There are 71 part-time flexible employees. Conversion from part-time flexible to regular depends on several factors including retirement, establishment of new position, needs of the service, and union agreements.

QUESTION 6. What is the national ratio of flex to full-time employees, and why is this figure reversed in the Virgin Islands?

ANSWER The national ratio of flexible to full time employees is 10-90. This ratio applies to offices with 100 or more man years.

QUESTION 7. Have seminars been held for employees? If so, please list the dates, topics and at which post offices these seminars were held.

ANSWER Yes, numerous seminars have been held for both managerial and craft personnel. These have included Counterfeit Detection Training, November 1984, St. Thomas; Counterfeit Detection Training, June, 1985, St. Croix; Crime Prevention, St. Thomas and St. Croix; Bulk Mail Acceptance, St. Thomas and St. Croix; ZIP+4 Orientation, St. Thomas and St. Croix; Preparation for Route Inspection, St. Thomas and St. Croix, 1985; Window Trainer Training, St. Thomas and St. Croix; Driver Instructor Training, St. Thomas; Integrated Retail Terminal Training (Window Clerks), St. Thomas and St. Croix; and Money Order Reconciliation (Finance Clerk), St. Thomas and St. Croix. Training records for supervisory employees are listed in Attachment I.

QUESTION 8. How often does management in Puerto Rico visit the Virgin Islands and for what purposes?

ANSWER Division managers often visit the Virgin Islands providing information and training and investigating operations. The Virgin Islands Postmasters and managers' meetings are the focal points of many visits. Among the topics division personnel have reviewed are field operations, Address Information Systems, crime prevention, distribution, delivery and retail programs, commercial accounts, maintenance, engineering, human resources, and transportation.

QUESTION 9. What training is being provided for top Virgin Islands management?

ANSWER Managerial training is provided in Finance, Delivery, Customer Services, Courtesy, Crime Prevention, Mail Fraud, and Labor Relations. Off-site managerial training is given at the

William F. Bolger Management Academy in Potomac Maryland. Many acting Supervisors are also enrolled in numerous supervisory and postmaster correspondence courses. Numerous security training videos are also provided by the Inspection Service.

QUESTION 10. Is the investigation into the armed robbery at Kingshill ongoing? Has there been any progress?

ANSWER Yes, the investigation is ongoing. The Inspection Service is handling this case and the current status has not been revealed.

QUESTION 11. What security devices and security training sessions have been instituted at Kingshill Post Office? When were the sessions held, by whom?

ANSWER Inspector Cardona, of the Postal Inspection Service, has conducted numerous training classes on crime prevention. Security measures have been taken at all post offices, focusing on keeping doors locked at all times. Door buzzers have been installed. Tour III operations ends at 7:30 p.m. at Kingshill instead of 9:30 p.m. Postmasters have been reminded of their responsibility relative to the security and safety of their employees.

QUESTION 12. Have there been any robberies at any other post offices?

ANSWER There was a burglary at the Sunny Isle Station but the suspect has been apprehended. No loss was incurred.

QUESTION 13. What kind of evaluation reports are done on management? How often are these reports done and by whom?

ANSWER Managerial personnel are evaluated twice a year on their performance vis-a-vis their objectives by their immediate supervisors.

QUESTION 14. Why have the suggestions of employees to improve service been rejected by management?

ANSWER Management seeks the input of all employees on ideas which would improve operations and service. In the past year

numerous letters of commendation and cash awards have been issued to those employees making creditable suggestions. However, despite the best intentions, not every employee's suggestion can be implemented. Each suggestion is reviewed and evaluated and a written response with an acknowledgment number is sent to the employee making the suggestion. A suggestion committee reviews each suggestion carefully for its merits. In addition, there are two viable employee involvement programs (St. Thomas and St. Croix) involving one of the unions, and improvements designed by these groups receive management support.

NOTE.--The attachments identified as A through I herein were retained in the official hearing file of the subcommittee.

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